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Students March in Shanghai

Protest Movement Moves to China's Economic Capital

By Nicholas D. Kristof
New York Times Service

BEIJING — Thousands of students marched Tuesday through Shanghai in the first indication that the pro-democracy movement in China had spread in a major way to the nation's largest city and its economic capital.

About 6,000 university students took part in the march, according to Xinhua, the official news agency. Some witnesses put the number at about 10,000.

In Beijing, student leaders gave a 24-hour ultimatum to the government to approve their conditions for talks and warned of demonstrations if the government did not agree.

Flow of Chinese students to United States rises quickly. Page 6.

The Shanghai march was seen as significant not only because of the city's size and historic ability to influence the rest of the country, but because it was in Shanghai two years ago, after a lag, that student demonstrations were largest.

Those demonstrations, in December 1986 and the beginning of January 1987, attracted tens of thousands of students and were starting to draw support from workers when the government cracked down.

In what diplomats saw as an attempt to keep workers from joining the student march, officials allowed the marchers to go to their destination, People's Park, but refused to let anyone enter who did not have student identification.

Diplomats also said that Shanghai has sent hundreds of thousands of people out of the city in recent weeks, apparently to keep them from joining in any unrest.

Those sent away were from the "floating population" of peasants who had gone to Shanghai illegally to look for work. Until the mass evictions, at least 2 million of Shanghai's 14.5 million residents were members of the floating population. Because they are often young and unemployed, the government has been worried about the possibility of their provoking unrest.

A diplomat reached by telephone in Shanghai said the evictions were "taking place against the background of extremely high popular discontent, and the authorities are worried about the possibility of a social explosion."

The Shanghai students carried placards calling for more democracy, and specifically for freedom of

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Reuters

Yasser Arafat, chairman of the Palestine Liberation Organization, meeting with President François Mitterrand Tuesday in Paris.

Israelis Compare Arafat to the Nazis

By Edward Cody
Washington Post Service

JERUSALEM — Outraged by Yasser Arafat's reception in Paris on Holocaust Remembrance Day, Israeli leaders vilified the Palestine Liberation Organization chairman on Tuesday and sought to associate him with Nazi crimes against Jews in World War II.

The expressions of dismay marked an emotional reaction to the official honors bestowed by France on a man who has long been seen in Israel chiefly as a symbol of terrorist attacks on Jewish targets and of the Palestinian claim to nationhood on land held by Israel.

The Israeli image of Mr. Arafat, shaken in December by the U.S. decision to meet with the Palestine Liberation Organization, was further jarred by the willingness of President François Mitterrand to become the first leader of a Western country with a permanent seat on the United Nations Security Council to receive him for an official visit.

Israeli leaders and commentators attached special significance to the fact that the visit coincided with the annual remembrance of six million Jews killed in the Holocaust, a day of emotional and often painful ceremonies in Israel.

Prime Minister Yitzhak Shamir described the visit as "a very big symbol" and said of Mr. Arafat: "He's going, he's following the tradition of those Nazis. But, well, we don't need a symbol for being opposed to this visit."

The Israeli outrage also reflected concern that Mr. Arafat might be gaining ground in his effort to win international acceptance of the PLO as an obligatory partner in any attempt to negotiate peace between Israel and its Arab neighbors.

Israel has long refused to deal with the PLO. It has maintained the refusal despite shifts in the organization's policies and statements by Mr. Arafat in December recognizing Israel's right to exist and renouncing terrorism in the struggle to establish a Palestinian nation.

During a recent visit to Paris, Mr. Shamir sought unsuccessfully to dissuade Mr. Mitterrand from receiving Mr. Arafat. Since then, he has praised French Jewish organizations for their demonstrations against the visit and their attempt

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France Receives Arafat

PLO Chief Asserts Pledge to Destroy Israel Is 'Void'

By James M. Markham
New York Times Service

PARIS — Yasser Arafat, the chairman of the Palestine Liberation Organization, registered a major breakthrough Tuesday in his quest for international recognition and respectability when he was formally received by President François Mitterrand.

After being pressed by Mr. Mitterand to clarify his position on the PLO's 25-year-old charter, which calls for the destruction of Israel, Mr. Arafat said on French television that the document was "null and void." It was the strongest language he has used to date to distance himself from the charter.

The PLO's many voices often seem contradictory. Page 2.

The top PLO official in Lebanon is ambushed. Page 2.

"I was elected on a political program founded on the basis of two states," he said. "As for the charter, I believe there's an expression in French: 'C'est caduque' " — null and void.

[In Jerusalem, Israeli officials rejected Mr. Arafat's statement as meaningless. "We cannot take all his words seriously, we know that Arafat is a chronic liar," an aide to Prime Minister Yitzhak Shamir, Yossi Ahimeir, told Reuters. "This declaration is not serious."]

Although Mr. Arafat has met with the heads of a handful of Western European nations, his 90-minute session with Mr. Mitterrand was the first with the leader of a Western member of the UN Security Council.

The symbolism of the visit is as important as the diplomatic movement that might result from Mr. Arafat's two-day stay, according to Western diplomats and PLO officials.

They concurred that Paris marked a milestone in Mr. Arafat's march from "armed struggle" against Israel toward a negotiated peace settlement. His reception at the Elysée Palace also amounted to another notch of Western European pressure on Israel to enter into talks with the PLO.

French officials had said that Mr. Mitterrand wanted the PLO to strengthen its occasionally wobbly recognition of Israel and to sharpen its qualified commitment to renouncing terrorism — positions that opened the way to a diplomatic dialogue with the United States last December.

Mr. Mitterrand sought to push Mr. Arafat toward accepting the elections in the West Bank and Gaza Strip offered by Mr. Shamir, according to various officials. The PLO has so far rejected the election offer, saying that balloting would be acceptable only with UN supervision and after an Israeli pullback.

On television, Mr. Arafat asked rhetorically if it was possible "to have elections under the supervision of an occupying army."

"If the election were part of a process from A to Z, we can discuss it. But if it is simply a device to give Mr. Shamir more time to commit crimes against our people, then I leave it to the world to judge."

The atmosphere Tuesday was deliberately subdued. At the Elysée Palace, photographers and television crews were permitted only to shoot film of Mr. Mitterrand and Mr. Arafat seated on arm chairs facing each other; they were not allowed in the room when the two men met and shook hands.

The somber tone was maintained when Hubert Védrine, Mr. Mitterrand's spokesman, read a statement saying that the French president had pressed Mr. Arafat on the contradictions between the PLO charter and the more flexible positions adopted by the Palestine National Council last November.

Mr. Védrine emphasized that Mr. Arafat had been received "in his capacity as chairman of the ex-

See ARAFAT, Page 2

Cal Tech and MIT Research Further Weakens Fusion Claim

By Philip J. Hilts
Washington Post Service

BALTIMORE — Reports that nuclear fusion had been achieved in a jar have been substantially weakened by reports from two major universities that their researchers had found significant errors in the University of Utah experiments that started the furor.

Scientists from the California Institute of Technology told a meeting in Baltimore of the American Physical Society on Monday that they had duplicated the experiment by Utah researchers and found ordinary explanations for all the phenomena that the Utah group had taken as evidence of an extraordinary form of nuclear fusion.

At the same time, researchers from the Massachusetts Institute of Technology, which is scheduled to report to the same meeting, said that they, too, had concluded that the Utah experiments were wrong in at least one key part and that they believed the Utah scientists had mistaken a natural source of radioactivity, possibly radon gas, as a sign of nuclear fusion.

The two reports came amid a rising tide of strongly negative evidence being reported by several universities and national laboratories in the weeks since B. Stanley Pons of Utah and Martin Fleischmann of the University of Southampton in England made their startling claim.

On Friday, for example, a group of researchers from the Brookhaven National Laboratory and Yale University announced that their joint experiments had failed to confirm the Utah findings.

Nathan Lewis of the Cal Tech team said his group had duplicated the Utah experiment and had got the same results, including heat. But he said they could explain all of it as normal processes in a fuel cell, a conventional energy-producing device.

Mr. Lewis said that the amount of heat depended upon the amount of electrical power put in and that his group could produce heat up to the boiling point of water, but that this is normal for fuel cells.

Mr. Lewis said Mr. Pons and Mr. Fleischmann's calculations of excess heat were misleading because they did not report exactly what energy was put in and what energy came out.

Instead, he said the Utah group had measured the amount put in and a smaller amount coming out. Then they reported that what they had got out was more than they had expected. The excess energy was not actually measured, he said, but was only an excess over what they assumed they should get.

"We confronted them with this information privately, and they acknowledged that this is the way they did the calculation," Mr. Lewis said.

On another point, the Utah group said it had measured helium-4 coming from the apparatus, a waste product they said might indicate fusion occurring in the flask.

Mr. Lewis said the Cal Tech group also saw helium-4 in the experiment. But they found that it was equal to the amount present in normal air.

The MIT group found other reasons to doubt the Utah claim.

Ronald Parker, head of the fusion

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Adviser Says U.S. Risks Trade War

By Peter T. Kilborn
New York Times Service

WASHINGTON — President George Bush's chief economist, Michael J. Boskin, has warned that "bashing" trade partners such as Japan could lead to a trade war and a recession.

In going public with his view, Mr. Boskin, chairman of the president's Council of Economic Advisers, implicitly acknowledged differences in the administration over the treatment of countries deemed to be trading unfairly, leaving the ultimate resolution to the president, other administration officials said.

On the side urging restraint were Mr. Boskin, Secretary of State James A. Baker 3d; the budget director, Richard G. Darman, and Treasury Secretary Nicholas F. Brady, the officials said.

A tougher position has been taken by Commerce Secretary Robert A. Mosbacher and the U.S. trade representative, Carla A. Hills, as well as the Democratic leadership of Congress, they said.

Trade officials said that Japanese telecommunications equipment — from facsimile machines and central office telephone switches to cordless telephones — could face 100 percent duties, effectively doubling their prices in the United States, under trade retaliation being formulated by the administration.

"We are starting to see an immense amount of bashing of our trading partners" that could lead to a "trade war," Mr. Boskin said Monday in a panel discussion sponsored by the U.S. Chamber of Commerce. He had been asked to cite the biggest risk facing the growing economy.

In an interview later, Mr. Boskin said, "A lot of actions are coming up that have to be handled with aplomb. If it got out of hand, it could cause a trade war and a world recession."

He did not acknowledge that there were differences within the administration. But several officials, who asked not to be named, said Mr. Boskin and other supporters of free trade had become concerned about pending decisions on how hard to retaliate, particularly in view of Japan's domestic political turmoil.

A 1988 trade law requires the administration to identify countries that are deemed to practice unfair trade in competition with the United States.

"Whether to include Japan as a sinner, that's a major political decision," a White House official said.

Mrs. Hills has cited Japan, the European Community, South Korea, Brazil and Canada in a long report of countries that are deemed to practice unfair trade. On May 30, she is expected to specify against which countries the president will retaliate. The European Community on Tuesday warned the United States against using the trade law as a weapon. (Page 13)

Mrs. Hills used sharp language Friday to cite Japan for obstructing U.S. access to its telecommunications market. She said the United States would retaliate unless Japan acts "immediately to remedy the practices at issue."

Officials said there was little dispute in the administration over Mrs. Hills' threat against Japan on telecommunications because of abundant evidence that U.S. products have been excluded from the Japanese market.

The law requires the trade representative to begin up to 18 months of negotiations with countries to eliminate the practices that have been deemed unfair. If the trade representative finds the countries' efforts inadequate, the law requires the president to retaliate.

Bernhard J. Holzner/The Associated Press

ROLLING UP A RUSTING IRON CURTAIN — Hungarian border troops dismantling barbed-wire fence Tuesday that for many decades formed part of the Iron Curtain near the frontier town of Hegyeshalom. Hungary is uprooting 354 kilometers of fencing.

Bush Warns of Fraud in the Panama Election

United Press International

WASHINGTON — President George Bush called Tuesday for international condemnation of any fraud in the Panamanian presidential election and said the United States would not recognize any outcome engineered by General Manuel Antonio Noriega.

"All nations that value democracy — that understand free and fair elections are the very heart of their democratic systems — should speak out against election fraud in Panama," Mr. Bush said in a speech to a State Department conference on Latin America.

"And that means the democracies of Europe — they ought to be speaking out about this — as well as nations in this hemisphere struggling to preserve the democratic systems they've fought so hard to put into place," he said.

The renewed call for General Noriega, the Panamanian military leader, to ensure the freedom and fairness of the election on Sunday reflected a review by Mr. Bush's administration of its policy toward Latin America.

His speech also contained a stern warning to Moscow about military aid to Nicaragua.

Although lauding "the historic shift in political and economic thinking now under way in Latin America," evidenced by democratic elections and moves toward market economies, Mr. Bush singled out Panama and Nicaragua as trouble spots that proved that "the battle for democracy" was "far from over."

In Panama, where the United States has sought without success to force General Noriega from power through political and economic pressure, Mr. Bush said that "the forecast for freedom" was less clear than in other countries where democracy had taken hold.

He welcomed the "great courage" of the opposition and the fact that the Noriega-backed ticket has trailed in recent public-opinion polls. But he said it was also "evi-

See BUSH, Page 2

Kiosk

Dutch Leader Will Resign

THE HAGUE (Reuters) — The government of the Netherlands collapsed Tuesday over financing for a new environment plan, and Prime Minister Ruud Lubbers said he would resign on Wednesday.

"I will be going to the queen tomorrow to offer my resignation," Mr. Lubbers said in parliament after his coalition cabinet failed to agree on how to fund the plan to cut pollution by 70 percent by the year 2010.

General News

Prince Norodom Sihanouk, in talks in Jakarta, pressed for more constitutional changes in Cambodia. Page 6.

South African radio called for expanded trade relations with the Soviet bloc. Page 6.

Colombian drug cartels have picked Spain as the entry port of cocaine in Europe. Page 7.

Business/Finance

March economic data indicated some softening in U.S. growth. Page 13.

Texas Air reported a $255.5 million first-quarter loss, most of which it blamed on its Eastern Airlines unit. Page 13.

Crossword. Page 8.

To Our Readers

Because of technical problems in transmission, the edition of May 2 was not printed in The Hague, Zurich or New York. The Herald Tribune regrets the inconvenience.

Dow Close	The Dollar in New York	
Down 12.10	DM	1.8927
	Pound	1.6794
	Yen	134.365
	FF	6.3948

Freudian Slipup in Moscow: Analyst's Newly Printed Book Is Repressed

By Francis X. Clines
New York Times Service

MOSCOW — A total of 100,000 freshly printed copies of "Essays on the Psychology of Sexuality," the first book of Freud's writings to be published in the Soviet Union since the Bolsheviks pronounced him taboo, are being held by the authorities and may never reach the reading public.

At the moment, the books are locked up as tight as a repressed dream — the dream of one of the new Soviet entrepreneurs hard at work trying to outwit the bureaucracy in defining the cutting edge of the Soviet future.

In this case, the man with the dream, Marat Akchurin, claims to have found a legal way around regulations barring private cooperatives, like the group behind his Freud venture, from directly publishing books.

The ban is intended to reinforce the state publishing monopoly, Goskomizdat, in controlling what the public reads.

"Our country is a kind of Wonderland right now," Mr. Akchurin said, describing an exhaustive process of finessing the system through a dozen steps after finding a legal publishing sponsor, only to be told after the printing that the books were being held.

"There's no logical explanation."

"Maybe there's some unconscious reason," he added with a faint-hearted smile of tribute to Freud.

The fact that the handsome new paperback edition got as far as printing press and binder counts as an impressive achievement in the quirky new world of co-op private enterprise.

But for new entrepreneurs the perils of dealing with the Soviet system are demonstrated by Mr. Akchurin's 11th-hour frustration.

Mr. Akchurin said the Soviet publishing authorities, who have not commented publicly on the book, allowed the project to go forward but then told him after the press run that "our young people don't need books about Freud."

Rather than offer a reason on paper, they told him by phone that an investigation was being started to determine how such a project ever reached Soviet-controlled printing presses, he said.

This is an interesting question in such a censorship-ridden nation.

The answer may lie in the self-reliant initiative being encouraged lately by the Soviet leader, Mikhail S. Gorbachev.

For Mr. Akchurin not only found a publishing sponsor and a willing printer, but also solved two other riddles of Soviet publishing: how to arrange financing and, not least of all, where to find the book paper so closely guarded by the government.

Mr. Akchurin saw an opening in the fine print of the co-op publishing ban — a loophole allowing government-related "public organizations" to publish.

He persuaded no less a pillar of the Soviet establishment than the Komsomol, the powerful youth arm of the Communist Party, to sponsor the Freud compilation through one of its new, liberalized youth-center programs.

The word of mouth on publication was so strong that Mr. Akchurin, well aware of the public's long-delayed appetite for Freud, had counted the entire press run as an advance sellout.

Some Soviet psychologists have lately been encouraging interest in Freud, whose pyschoanalytic ideas were long scorned as antithetical to Communist ideology and kept on restricted library shelves.

The last Soviet publishing of Freud was almost 70 years ago.

"Our bookstores are filled with books nobody wants," said Mr. Akchurin, 40, a Tashkent native who read Freud when he was 18 during the previous hiatus of relatively liberalized intellectual pursuit in the Khrushchev era.

He decided to seek a better way within the new co-op structure.

"I succeeded in getting this book printed in three months, all according to law," he insisted proudly as his wife and co-op helper, Alexandra, poured tea and warned, "They could wind up liquidating the book."

"It would be part of history," he said.

PLO and Its Commitments: A Choir of Inconsistent Voices

By Robert Pear
New York Times Service

WASHINGTON — Since Yasser Arafat renounced terrorism and recognized Israel's right to exist in December, he and other Palestinian leaders have spoken in a multitude of voices, sometimes affirming but more often contradicting those commitments.

The inconsistencies have caused concern among Bush administration officials and some members of Congress. The contradictions were a major topic of discussion when Secretary of State James A. Baker 3d met in Washington last week with Robert H. Pelletreau Jr., the U.S. ambassador to Tunisia, who is conducting a dialogue with the Palestine Liberation Organization.

The House of Representatives recently approved a bill that would require the State Department to catalog, compare and analyze statements by PLO officials. The Senate appears likely to pass a similar measure.

Although the PLO statements are important, U.S. officials said they also wanted to determine who was responsible for sporadic guerrilla attacks on Israel. They say that attacks against Israeli civilian or military targets are "contrary to the peaceful objectives of the dialogue" with the PLO.

In Geneva in December, Mr. Arafat, the PLO chairman, said, "We totally and absolutely renounce all forms of terrorism, including individual, group and state terrorism."

He also said he accepted "the right of all parties concerned in the Middle East conflict," including Israel, to exist in peace and security.

But he and his lieutenants in the organization's mainstream have subsequently joined PLO hard-liners in telling Arab audiences that they would continue "armed struggle" against the "Zionist entity."

Mr. Arafat's top deputy, Saleh Khalef, also known as Abu Iyad, was quoted in February by a Kuwaiti newspaper as saying, "We have not recognized Israel — we will do so when they recognize us."

But he took a different stand in a videotape smuggled into Israel and played at a Feb. 22 symposium on Middle East peace. He said then that the PLO wanted direct talks with Israel and that it accepted the need for coexistence between Israel and a Palestinian nation.

Nabil Shaath, a senior political adviser to Mr. Arafat, and other Palestinians say the Israelis have taken their remarks out of context and focused on semantic discrepancies as an excuse to avoid direct negotiations with the PLO.

"If we continue to regurgitate fear and if we continue just to look at our differences, just to spot our semantics, just to spot our little linguistic flaps, we are never going to build peace," Mr. Shaath said.

He said Israeli leaders like Prime Minister Yitzhak Shamir also spoke in different voices and often sounded more intransigent when addressing Israeli audiences than when speaking to U.S. officials in Washington.

The United States encouraged linguistic analysis of PLO statements last year. Working through Swedish diplomats, U.S. officials coached Mr. Arafat into saying the words necessary to satisfy longstanding U.S. conditions for a dialogue with the PLO.

Rarely does Mr. Arafat or any other Palestinian leader repeat those words exactly. Experts on the PLO say the ambiguities and inconsistencies in its public statements reflect deep internal disagreements that the organization has yet to resolve.

Asher Susser, an expert on the PLO at Tel Aviv University, said the inconsistencies in PLO statements "derive from different perceptions of time."

On the one hand, he said, PLO officials feel pressure to show moderation so they can bring about immediate political gains for residents of the West Bank and the Gaza Strip. On the other hand, he said, the 17-month uprising in the occupied territories has increased the confidence of PLO officials.

"In the long term," he said, "many PLO officials feel they can achieve victory over Israel, so they are reluctant to categorically renounce the goal of liberating all of Palestine, and they hope, ultimately, to include the present state of Israel in a future Palestinian state."

Before opening a dialogue with the PLO, the United States insisted that Mr. Arafat accept UN Security Council Resolutions 242 and 338. Resolution 242 guarantees the right of every state in the Middle East to "live in peace within secure and recognized boundaries." President Ronald Reagan concluded on Dec. 14 that Mr. Arafat had met this condition.

But a month later, in an interview with an Arabic-language newspaper published in London, Abdel Hamid Sayeh was asked how he would reply to those who criticized the PLO for recognizing Israel. He replied that the Palestine National Council, of which he is the speaker, had not accepted those resolutions. "What some term recognition of the Security Council's resolutions and, consequently, recognition of the Zionist entity, is untrue," he said.

Edward Nachmich/Reuters

Beijing student leaders pedaling through the capital's streets to distribute their petition on Tuesday.

ARAFAT: *Symbolic Visit to Paris*

(Continued from page 1)

ecutive committee of the Palestine Liberation Organization" — implicitly, not as president of the "Palestinian state" proclaimed by the organization in November.

Mr. Mitterrand, his spokesman added, had asked questions about the Palestinians' asserted "right of return, its territorial limits and its compensations." Mr. Mitterrand also expressed concern about the "serious situation" facing Palestinians in the West Bank and Gaza, where the uprising against Israeli occupation is in its 17th month.

Smiling and ebullient as he emerged from the palace, Mr. Arafat declared that he had had "a very successful and fruitful meeting" that would "push forward a settlement in the Middle East."

A limousine bearing the Palestinian flag then drove Mr. Arafat to his hotel, where he received visitors, including Jean Sauvagnargues, a former French foreign minister who broke the diplomatic ice by meeting Mr. Arafat in Beirut in 1974, and Pierre Mauroy, the French Socialist Party's first secretary. Mr. Arafat later conferred with Foreign Minister Roland Dumas at the Quai d'Orsay.

Mr. Mauroy said that Mr. Arafat had firmly expressed the PLO's commitment to "recognize the UN resolutions, to recognize Israel, to condemn and renounce terrorism." He said that the PLO leader had made "a long declaration that was a hymn to peace," but had said that elections in the occupied territories could only take place "in the context of an overall process."

Mr. Arafat has been received by Pope John Paul II, by King Juan Carlos I of Spain and by government leaders in Italy, Austria and Sweden.

■ French Jews Demonstrate

Police estimated that about 10,000 Jews demonstrated Tuesday outside a synagogue where a car bomb killed four persons in October 1980, United Press International reported from Paris. Neo-Nazi groups were widely held to have been responsible, but the French Jewish community blamed Libya.

At one point Tuesday about 1,000 demonstrators chanting, "Arafat assassin, Mitterrand accomplice," tried to break through a double police cordon and head toward the Champs-Elysées. After an hour of pushing against the police lines, they dispersed.

CHINA: *Student Protest Movement Moves to Shanghai*

(Continued from page 1)

the press. The issue is sensitive because the editor of the Shanghai-based World Economic Herald was dismissed last week by Shanghai's party leader, presumably acting on orders from Beijing.

The newspaper was not owned or run by the Communist Party, and thus many intellectuals have complained that the party had no authority to dismiss the editor and reorganize the publication.

While demonstrations have taken place in Shanghai on several previous occasions in the last two weeks, they have never attracted more than a few thousand marchers.

The march Tuesday, while consisting only of students, was far better organized than before and attracted much more support, witnesses said.

Another diplomat in Shanghai said that much of the inspiration and planning of Tuesday's demonstration seemed to come from a team of Beijing University students who arrived recently in Shanghai to exchange ideas about how to spread the pro-democracy campaign.

The authorities in Shanghai have issued repeated warnings to try to discourage student unrest. A foreign resident of the city said that students at the Shanghai Foreign Languages School had been warned that if they took part in demonstrations they would not be given a passport allowing them to go abroad, a hope cherished by many Chinese students.

In addition to Beijing and Shanghai, student demonstrations have occurred in the last two weeks in most other major cities in China, including Tianjin, Changsha, Xian, Wuhan, Chengdu and Nanjing. But none have come close in scale to those in the capital, which have drawn more than 150,000 demonstrators at their peak.

The student ultimatum in Beijing was delivered by about 70 student leaders from more than 30 schools who pedaled their bicycles together to several government and party offices to deliver letters outlining their demands.

[Wang Dan, a student leader from Beijing University, said the government had agreed to respond by the deadline by noon Wednesday, The Associated Press reported from Beijing.]

The letter was a response to the government's announcement last week that it would enter into a "dialogue" with the students. Since then, government officials have held three of these dialogues with students.

But most students appear dissatisfied. They complain that the students whom the government chose to participate are mostly friendly to the party.

PLO Official Is Ambushed In Lebanon

The Associated Press

SIDON, Lebanon — The Palestine Liberation Organization's senior official in Lebanon was seriously wounded in an ambush on Tuesday in Sidon, the police said.

In Paris, Yasser Arafat, the PLO Chairman, was initially told that the official, Issam Salem, had been killed in the ambush 40 kilometers (25 miles) south of Beirut. But Mr. Arafat said later that he understood that Mr. Salem was hospitalized and in a coma.

"We must not let ourselves be terrorized by this incident," Mr. Arafat said.

A police spokesman in Sidon said Mr. Salem sustained a head wound when masked gunmen raked the car he was driving with gunfire shortly after 1 P.M. He was taken to a hospital and underwent surgery, the spokesman said, who added that his "chances of survival are very slim."

BUSH: *Noriega Is Warned on Fraud in Panama Vote*

(Continued from page 1)

dent that the regime is ready to resort to massive election fraud in order to remain in power."

His forecast was consistent with an effort by the White House in recent days to discredit the election ahead of time, setting the stage for further reassessment of the U.S. drive against General Noriega.

Mr. Bush, who recently extended economic sanctions against Panama for at least another year, is reported to have approved a covert operation to bolster opposition forces.

Mr. Bush insisted that the Noriega leadership continued "to threaten and intimidate" its opponents and had sought to limit international scrutiny of the election. The United States, he added, "will not recognize the results of a fraudulent election engineered simply to keep Noriega in power."

"It is time for the plain truth," he said. "The day of the dictator is over. The people's right to democracy must not be denied."

Mr. Bush also had harsh words for the Sandinista government in Managua, which is a party to a regional peace agreement calling for democratic reforms in Nicaragua in exchange for relocation of the U.S.-backed rebels.

An agreement that Mr. Bush struck with Congress on policy toward Nicaragua calls for humanitarian aid to the rebels, known as contras, to continue until February 1990 to keep pressure on the Sandinistas to hold free elections as promised.

"If the Sandinistas fail this test, it will be a tragic setback and a dangerous one," Mr. Bush said. "The consolidation of tyranny will not be peace. It will be a crisis waiting to happen."

Calling recent actions by the Sandinistas ominous, he declared that restrictive election laws and continued repression created "a stacked deck against freedom."

Mr. Bush accused the Sandinistas of continuing to support leftist insurgents in El Salvador and Guatemala and again challenged the Moscow to end its $500 million a year in military aid to Managua.

"The Soviet Union must understand that we hold it accountable for the consequences of this intervention," he said, "and for progress towards peace in the region and democracy in Nicaragua."

On other topics, Mr. Bush said that Alfredo Cristiani, the new president of El Salvador, deserved a chance to display independent leadership, and he congratulated General Andres Rodríguez of Paraguay on his victory in presidential elections, which were marred by opposition claims of fraud.

PROTEST: *Israeli Outrage*

(Continued from page 1)

to associate Mr. Arafat with past Palestinian terrorism in Paris.

"We see in this visit a new push of prestige and importance for Arafat," Mr. Shamir said Tuesday, "and this gives more importance to all the most extreme factors in our area and diminishes the chances for peace."

Foreign Minister Moshe Arens, in an interview with Le Figaro, the Paris daily, said the timing of Mr. Arafat's visit on Holocaust Remembrance Day was particularly bad since, he said, the Tunis-based Palestinian leadership was "responsible for the worst atrocities committed since the Second World War."

But Mr. Arens went on to say that any time was bad for West European leaders to receive Mr. Arafat.

He recalled that the Spanish and Italian governments and the Vatican had already accorded official honors to the PLO leader, and he asserted that such visits, whatever their intentions, encouraged terrorism.

"I am convinced that Mr. Mitterrand is moved by the best of intentions," Mr. Arens said. "But I am equally convinced that giving the least recognition or legitimacy to the PLO can only encourage extremist attitudes in the Arab world and favor future acts of violence and terrorism."

"I have no doubt that the Arafat-Mitterrand meeting will have exactly this effect," he said.

Bruce Allen/Reuters-UPI

Ronald Parker of the Massachusetts Institute of Technology challenging the reports on fusion.

FUSION: *Doubts From Research Units Defuse Claims*

(Continued from page 1)

physics laboratory at MIT, and R.D. Petrasso reported an experiment that mimicked one part of the Utah experiment.

Mr. Pons and Mr. Fleischmann reported that they had detected 10,000 neutrons coming out of their apparatus every second, which they took as one indication of fusion.

At MIT, however, an experiment designed to work the same way failed to produce neutrons, or their derivatives, gamma rays. The experiment also failed to produced any of the excess heat that the Utah group reported.

So the MIT group conducted a second experiment in which they tried to see whether a conventional source of radioactivity could be made to mimic the production of neutrons reported to be coming from the flask of the Utah group.

If neutrons were being produced in the apparatus's palladium electrode as a byproduct of fusion, as Mr. Pons and Mr. Fleischmann claimed, they should fire out of the electrode and strike the hydrogen molecules in the water bath around it. The collision between neutrons and hydrogen should produce gamma rays with a specific amount of energy and a characteristic signature on an oscilloscope screen.

It was gamma rays that the Utah group measured and took as evidence of neutron production. But the MIT group said the signature they found in their simulation did not fit the pattern reported in a paper by Mr. Pons and Mr. Fleischmann.

In their original announcement on March 23, Mr. Pons and Mr. Fleischmann said they had produced what they concluded to be a nuclear fusion reaction in a flask of water at room temperature. The experiment, they said, generated a tremendous amount of heat, holding out the promise of limitless cheap and safe energy.

■ Fusion Report Defended

The vice president of research at the University of Utah strongly defended the work of Mr. Pons and Mr. Fleischmann on Monday, United Press International reported from Salt Lake City.

James Brophy, a physicist and vice president of research at the University of Utah, said Mr. Pons and Mr. Fleischmann had "spent five and a half years on this research" and "now people spending four weeks on crude experiments are criticizing their work."

Governor Norman H. Bangerter of Utah said the debate was in fact over the millions of dollars that Eastern scientists might lose. "There's $400 million or $500 million a year that goes into fusion research, and they've been getting it," Mr. Bangerter said. "They'd hate to see us get it."

WORLD BRIEFS

Mauritania Disperses Anxious Crowd

NOUAKCHOTT, Mauritania (Reuters) — Troops fired tear gas on Tuesday to disperse crowds of anxious Mauritanians trying to learn the fate of their countrymen caught up in ethnic riots in neighboring Senegal, witnesses said.

Groups of relatives who had gathered outside the capital's football stadium, where thousands of refugees have been temporarily lodged, had ignored warnings from the army and refused to disperse, the witnesses said. About 300,000 Mauritanians working in Senegal are expected to return.

Meanwhile, thousands more frightened Senegalese waited at Nouakchott airport to be flown home in an international airlift. At least 10,00 have already left. Unconfirmed reports say as many as 400 Senegalese died last week in racial violence set off by a border dispute. Revenge attacks followed in the Senegalese capital, Dakar, where at least 56 Mauritanians were killed.

Mugabe Foe Sets Up Political Party

HARARE, Zimbabwe (WP) — Edgar Tekere, who was expelled from the ruling party six months ago, announced the foundation of a new grouping called the Zimbabwe Unity Movement in what amounted to a final break with his one-time ally, President Robert Mugabe.

Mr. Tekere, 52, charged Sunday that the Mugabe administration was corrupt and was leading the nation toward economic ruin. He said he planned to challenge the ruling Zimbabwe African National Union party in the 1990 general elections.

Mr. Mugabe's party, reacting to the announcement, accused Mr. Tekere of trying to divide the country's 8.5 million people at a time when the two major parties, Mr. Mugabe's and Joshua Nkomo's once-rival Zimbabwe African People's Union, are uniting.

Israelis Use Palestinian as a Shield

JERUSALEM (Reuters) — Israeli troops patrolling Ramallah in the occupied West Bank on Tuesday forced a young Palestinian to sit on the front of their jeep, apparently as a shield to deter Arab stone-throwers.

The incident, filmed by the television agency Visnews, showed a jeep with three soldiers in riot gear shooting rubber bullets toward stone-throwers in the town center. The film showed a frightened Palestinian teen-ager sitting on the jeep's hood. Reporters monitoring army radios in the area said they heard a soldier say: "It's O.K. now. We have a kid on the front of the jeep. We won't get stoned."

Elsewhere in the occupied West Bank and Gaza Strip, 10 Palestinians were wounded in clashes with troops, among them a 7-year-old girl critically wounded in the head and a 90-year-old man shot in the face with a rubber bullet.

Exxon Presents Final Cleanup Plan

VALDEZ, Alaska (AP) — Exxon wants to burn or bury the sludge recovered in cleaning up the March 24 oil spill off Alaska and thinks environmental laws may have to be bypassed to allow this kind of disposal, the company said in its final cleanup plan.

The plan, submitted Monday to the U.S. Coast Guard and state officials, estimated that poor weather and logistical problems would slow the work through September. It makes no provisions for continuing the operation beyond mid-September. The proposal, a revised version of an earlier plan that government authorities rejected as incomplete, calls for nearly 3,400 workers to participate. The plan also noted that 191 miles (307 kilometers) of moderately fouled coast would be left untouched.

The coast guard commandant, Paul A. Yost, who was chosen by President George Bush to track the cleanup, said the plan was "very thin," but promised that it would be completed this summer. Consumer groups in Alaska and New York asked Tuesday for boycotts of Exxon products. In Oregon, 20 state legislators called for a one-day boycott.

South Korea Faults Kim Dae Jung

SEOUL (WP) — South Korea accused an opposition leader, Kim Dae Jung, on Tuesday of financially supporting a dissident's illegal visit to North Korea and warned that Mr. Kim might face prosecution.

The government imprisoned the dissident, Moon Ik Hwan, when he returned in April from an unauthorized visit to North Korea. The National Security Agency went a step further than expected by bringing Mr. Kim into the controversy.

Mr. Kim said the $4,500 he gave Mr. Moon shortly before he left for the North was intended to help pay for his living costs in Seoul. "I have from time to time paid him some money to support his living conditions because he is a longtime friend of mine," Mr. Kim said. "We went to jail two times together."

General Elected Paraguay President

ASUNCION, Paraguay (AP) — General Andrés Rodríguez, who ended Alfredo Stroessner's 35 years of dictatorship in February, has been elected president, and his Colorado Party has won firm control of Congress, official returns showed Tuesday.

The Central Electoral Board said General Rodríguez got 74 percent of the votes. Domingo Laino of the Authentic Radical Liberal Party was second with 18 percent. The governing Colorado Party got 66 percent of the vote for the Senate and the Chamber of Deputies.

Though opposition parties made charges of vote fraud, unofficial opposition tallies produced results similar to the official numbers. General Rodríguez said that the nine cabinet members he appointed after the coup had offered their resignations, but that he had not acted on them. The general has pledged to change the constitution and the electoral law and not seek re-election.

For the Record

The United States and South Korea have agreed to relocate U.S. military bases from Seoul to rural areas, the South Korean Defense Ministry said Tuesday. The bases will be moved by the mid-1990s. *(AP)*

The U.S. shuttle Atlantis, grounded at the last minute Friday at Cape Canaveral, Florida, was repaired ahead of schedule and tentatively cleared for launching Thursday. It is to send a probe to Venus. *(UPI)*

TRAVEL UPDATE

SAS is to put off introduction of a service between Copenhagen and Toronto from next month, and will probably start it only next year because it does not have enough planes, the Scandinavian airline company said Tuesday. Meanwhile, Canadian Airlines International company said its Copenhagen-Toronto route would open on June 16. *(AFP)*

American Airlines inaugurated a daily direct flight on Tuesday from Lyon to New York, its first nonstop service between any French city other than Paris and the United States. *(AFP)*

Virgin Atlantic Airways began regular weekly service Tuesday between London and Narita airport outside Tokyo, its first service to Japan. The British company's Boeing 747s are to fly three times a week, two nonstop flights and one via Moscow. *(AFP)*

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	19	66	15	59	fr
Amsterdam	15	59	8	46	fr
Athens	20	68	13	55	cl
Barcelona	19	66	8	46	fr
Belgrade	18	64	8	46	fr
Berlin	12	54	3	37	sn
Brussels	14	57	4	39	cl
Budapest	17	63	8	46	fr
Copenhagen	13	55	8	46	sh
Costa Del Sol	19	66	10	50	fr
Dublin	16	61	10	50	sh
Edinburgh	17	63	8	46	fr
Florence	20	68	7	45	fr
Frankfurt	18	64	4	39	cl
Geneva	16	61	4	39	cl
Helsinki	13	55	4	39	cl
Las Palmas	22	72	16	61	fr
Lisbon	23	73	15	59	fr
London	16	61	10	50	fr
Luxembourg	16	61	7	45	fr
Madrid	19	66	3	38	fr
Milan	22	72	8	46	fr
Moscow	14	57	9	48	fr
Munich	15	59	3	37	cl
Nice	17	63	12	54	fr
Oslo	15	59	6	43	fr
Paris	21	70	10	50	fr
Prague	15	59	2	36	fr
Reykjavik	7	45	5	41	sh
Rome	25	77	14	57	fr
Stockholm	15	59	3	37	cl
Strasbourg	19	66	3	37	cl
Venice	21	70	10	50	fr
Vienna	12	54	6	43	fr
Warsaw	16	61	10	50	fr
Zurich	15	59	6	43	fr
MIDDLE EAST					
Ankara	29	68	5	41	fr
Cairo	30	86	16	61	cl
Istanbul	20	68	14	57	cl
Jerusalem	23	73	12	54	fr
Tel Aviv	25	77	16	61	cl
OCEANIA					
Auckland	—	—	—	—	na
Sydney	19	66	15	59	sh

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	32	90	26	79	cl
Beijing	28	82	13	55	clr
Hong Kong	26	79	22	72	r
Manila	35	95	27	81	clr
New Delhi	36	97	22	72	clr
Seoul	25	77	11	52	clr
Shanghai	29	84	12	54	clr
Singapore	—	—	—	—	na
Taipei	—	—	—	—	na
Tokyo	21	70	12	54	r
AFRICA					
Algiers	20	68	5	41	fr
Cape Town	24	75	10	50	clr
Casablanca	20	68	11	52	clr
Harare	28	82	13	55	clr
Lagos	31	88	25	77	clr
Nairobi	26	79	15	59	clr
Tunis	13	55	10	50	r
LATIN AMERICA					
Buenos Aires	—	—	—	—	na
Lima	23	73	17	63	clr
Mexico City	29	84	11	52	clr
Rio de Janeiro	—	—	—	—	na
NORTH AMERICA					
Anchorage	14	61	2	36	r
Atlanta	22	72	14	57	r
Boston	18	64	10	50	clr
Chicago	13	55	7	45	clr
Denver	21	70	3	37	clr
Detroit	13	55	3	37	clr
Honolulu	29	84	22	72	clr
Houston	28	82	17	63	clr
Los Angeles	27	81	15	59	clr
Miami	28	82	21	70	clr
Minneapolis	17	63	6	43	r
Montreal	9	48	5	41	r
Nassau	27	81	22	72	clr
New York	19	66	10	50	clr
Phoenix	35	95	18	64	clr
San Francisco	21	70	10	50	clr
Seattle	19	66	7	45	clr
Toronto	10	50	3	37	clr
Washington	24	75	10	50	clr

cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-stormy.

WEDNESDAY'S FORECAST — CHANNEL: Slight. FRANKFURT: Fair. Temp. 17—8 (63—46). LONDON: Fair. Temp. 20—9 (68—48). MADRID: Fair. Temp. 21—11 (70—52). NEW YORK: Partly cloudy. Temp. 19—9 (66—48). PARIS: Fair. Temp. 22—10 (72—50). ROME: Cloudy. Temp. 19—8 (66—46). TEL AVIV: Not Available. ZURICH: Fair. Temp. 14—5 (61—41). BANGKOK: Not Available. HONG KONG: Not Available. MANILA: Not Available. SEOUL: Not Available. SINGAPORE: Not Available. TOKYO: Not Available.

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Hard Times in the Heartland Spawn a Steady Flow of Homeless Rural Americans

By Isabel Wilkerson
New York Times Service

NEW YORK — In a stream steadily swollen by bleak economics, a new class of homeless is emerging from the rural United States: people out of work because farms are faltering.

Some crowd into shelters in major farm-belt cities — Minneapolis, Chicago, Des Moines and Omaha — seeking jobs and anonymity. Others head for dirt-road hamlets, where church basements and other makeshift shelters are full almost as soon as they open.

"Rural homelessness is growing faster than we can keep track of it," said Bill Faith, who heads the Ohio Coalition for the Homeless. "People are living in railroad cars and tar-paper shacks. Shelters in tiny towns we've never heard of are turning people away."

Although there are few definitive statistics on how many people are homeless outside metropolitan areas, the Housing Assistance Council, a rural advocacy group in Washington, found that rural people accounted for 25 percent of all stays at homeless shelters in the 2,200 rural and urban counties nationwide it surveyed last year.

The problem is even more acute in heavily agricultural states. Rural people account for close to 90 percent of South Dakota's 4,000 homeless, said Ruth Henneman, who runs the state's community assistance program.

"They try to keep it secret as long as they can," said Margaretann Sweet, a psychologist who counsels homeless people in Charlotte, Michigan. "Some are ashamed to tell their friends they've lost their farm. Owning land and working hard to keep it is central to self-esteem here."

The spirit of self-reliance that attracts people to farming has kept many rural people from seeking help until their circumstances are desperate. One farmer, ashamed to use food stamps in his own town, drove his family seven hours from Minnesota to South Dakota in the middle of the night to get food at a 24-hour convenience store.

"Some of them have attempted suicide before coming into the city, because for them coming to the city means failure," said Sue Watlov Phillips, who heads the Minnesota Coalition for the Homeless and is regional vice president for the National Coalition for the Homeless.

Although drug use or mental illness propels many city dwellers into the streets, in rural areas the cause of homelessness is more likely to be downturns in farming and related businesses.

"Rural homelessness is a more clearly economically caused homelessness," said Dr. Fredric Solomon, director of the Division of Mental Health and Behavioral Medicine of the Institute of Medicine, which studied the problem last fall.

The study defined the rural homeless as farm families, the working poor, migrants and others who are without shelter or living in temporary quarters. Many specialists include the thousands of families that have lost their farms but remain as caretakers, facing eviction when the legal dealings are finished.

That is what happened to Donald and Marilyn Bahlof, farmers in their early 60s who in January lost their 280-acre (113-hectare) farm near Denison, Iowa, and are now staying at a friend's house — with their combine and tractor outside.

The farm had been in the family for nearly 100 years. "You don't want to go to town, you don't want to see people," Mrs. Bahlof said.

Among the hardest hit are low-paid workers in secondary businesses that depend on farming.

Wanda Belling, a 33-year-old mother of three from Erie, North Dakota, took her family to a homeless shelter in Fargo in March after her husband's tree-pruning service failed because few of his farmer customers could afford it.

"He wasn't able to find enough work to get us through the winter," Mrs. Belling said. "Business has been bad ever since the drought last year."

Some specialists say that because services for the homeless are scarce in rural areas, and because a stigma is attached both to those who seek and those who provide such help, it is difficult to know just how big the problem is.

One barrier is the reluctance of some financially strapped towns and counties to help outsiders. "These communities are saying, 'We'll take care of our own, but we don't want any transients,' " said a member of Ohio's coalition for the homeless. "They'll say, 'We'll put you up for a night or two, but then you've got to get on down the road.' "

Despite Denials, U.S. Rewarded Honduras for Aiding Contras

By Joe Pichirallo
and Walter Pincus
Washington Post Service

WASHINGTON — Despite denials by the Bush administration, key elements of a secret plan to reward Honduras for its support of the Nicaraguan rebels were in fact carried out, official documents and interviews indicate.

The plan was approved by the former president, Ronald Reagan, on Feb. 19, 1985, interviews with participants and documents said. It was intended to reward Honduras for its support of the contras and included a visit to Honduras by then Vice President George Bush.

In recent days, administration officials, including the White House chief of staff, John H. Sununu, and a State Department official, Michael G. Kozak, have argued publicly that there was no quid pro quo deal with Honduras in 1985 and that Mr. Bush was not involved in any such discussion when he met the Honduran president in March 1985.

But official records released at the trial of Oliver L. North, a former National Security Council aide, show that three trips envisioned as key components of the quid pro quo deal, including the trip by Mr. Bush, took place.

The documents also show that three "incentives" in the form of expedited or increased U.S. aid to Honduras were approved as part of the plan to persuade the Hondurans to continue support for the contras.

For example, on March 17, 1985, the day after Mr. Bush's visit, the United States and Honduras signed an agreement to free up more than $70 million in economic aid for Honduras that had been held back because Honduras had refused to adopt economic changes backed by the United States.

Earlier that month, the Defense Department had accelerated deliveries of more than $20 million in weapons and other military aid to Honduras. By May 1, 1985, covert CIA support to Honduras had been increased by more than $4 million.

The flow of incentives in early 1985 came as the Hondurans were openly demanding special treatment because of their assistance to the contras, including allowing the rebels to set up sanctuaries in Honduras near the border with Nicaragua.

Honduran support was especially important to the Reagan administration in early 1985 because in October 1984 Congress cut off U.S. military assistance to the contras. The congressional cutoff made the Hondurans nervous about the continued U.S. commitment to the contras.

Beginning in early 1985, the Reagan administration repeatedly denied that it was funneling aid to the contras through third countries. U.S. officials assured Congress that U.S. aid to other countries was not being used to provide direct or indirect support to the contras.

But on Feb. 7, 1985, according to White House documents released in the North trial, a group of senior administration officials, including representatives from the State and Defense departments, the Central Intelligence Agency and the National Security Council, decided on a three-step deal to persuade Honduras not to abandon support for the contras.

The proposal called for releasing much of the $174 million in withheld economic aid for Honduras, speeding deliveries of military aid, and increasing the scope of covert CIA programs assisting Honduras.

The plan also contemplated a series of meetings with Roberto Suazo Cordova, then president of Honduras. They were intended to impress on him the administration's commitment to the contras and its desire that Honduras continue to allow contra camps along the Nicaraguan border, and to convey pledges of U.S. security assistance in the event of Sandinista attacks on the contra camps in Honduran territory.

A Feb. 11, 1985, memo to the national security adviser at the time, Robert C. McFarlane, called the plan "a strategy for enticing the Hondurans to greater support" for the contras and envisioned that the administration's message would be conveyed to Mr. Suazo in a series of meetings.

The memo, which Mr. McFarlane checked off as approving, was written by Mr. North and Raymond F. Burghardt, a Foreign Service officer assigned to the National Security Council to manage Latin America programs.

The memo — called for sending an "emissary" to verbally brief the Hondurans on the "'conditions' attached to the expedited (aid) deliveries . . . and enhanced CIA support."

It also said the plan would include a March 1985 stop in Honduras by Mr. Bush and a May 1985 visit to Washington by Mr. Suazo.

Mr. McFarlane outlined the plan in a Feb. 12, 1985, memo addressed to Mr. Shultz; Defense Secretary Caspar W. Weinberger; General John W. Vessey Jr., chairman of the Joint Chiefs of Staff, and the Central Intelligence Agency director, William J. Casey.

In an interview broadcast by NBC on Sunday, Mr. Sununu said a cable by John D. Negroponte, the U.S. ambassador to Honduras at the time, on the formal part of the Bush-Suazo meeting "makes it very obvious that there was no quid pro quo" discussed.

On Sunday, the White House spokesman, Marlin Fitzwater, announced that the administration would not make public the Negroponte cable, which is classified, or other documents on the Honduras visit. Instead, he said, the State Department "would brief the relevant members of Congress" about the documents.

David Hoffman contributed to this report.

■ North Jury in 10th Day

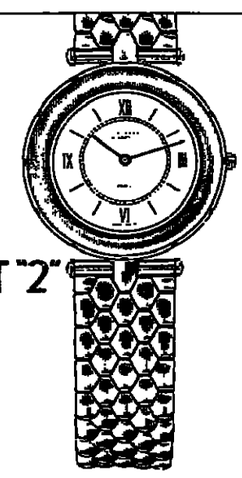
The jury in the North trial deliberated for a 10th day Tuesday with no indication when a verdict will be returned, UPI reported from Washington.

State Department Aide May Get OAS Position

Washington Post Service

WASHINGTON — Luigi R. Einaudi, longtime director of policy planning for the Bureau of Inter-American Affairs at the State Department, is expected to be nominated by President George Bush as the chief U.S. representative to the Organization of American States.

Mr. Einaudi, who had been a Latin America analyst with the Rand Corp., joined the department's policy-planning staff under Secretary of State Henry A. Kissinger in the mid-1970s.



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Bush Aides Warned Over 'Grousing'

Sununu Is Reported to Defend Public Relations Strategy

By Ann Devroy
and David Hoffman
Washington Post Service

WASHINGTON — The White House chief of staff, John H. Sununu, has warned senior aides against publicly "grousing" that there has been no coherent strategy in presenting President George Bush's message, senior administration officials said.

Much of the complaining that Mr. Sununu deplored centered on a four-day trip Mr. Bush made last week that attracted little attention from national news organizations and that was criticized as themeless and ineffective.

Two sources said some White House officials were prepared to offer extensive suggestions on improving Mr. Bush's efforts to communicate his programs and policies but chose not to do so.

"Sununu said he thought the last week went fine and there were no problems except for people grousing to the press," a source said.

The trip last week aggravated concerns among some aides that the White House staff operation is not functioning well. Several Republican strategists have made the same point.

On Thursday, as Mr. Bush returned to Washington aboard Air Force One, several aides with him, including the press secretary, Marlin Fitzwater, and the communications director, David F. Demarest, told Mr. Sununu that the trip had not gone well and that the White House was lacking overall communications strategy, sources said Monday.

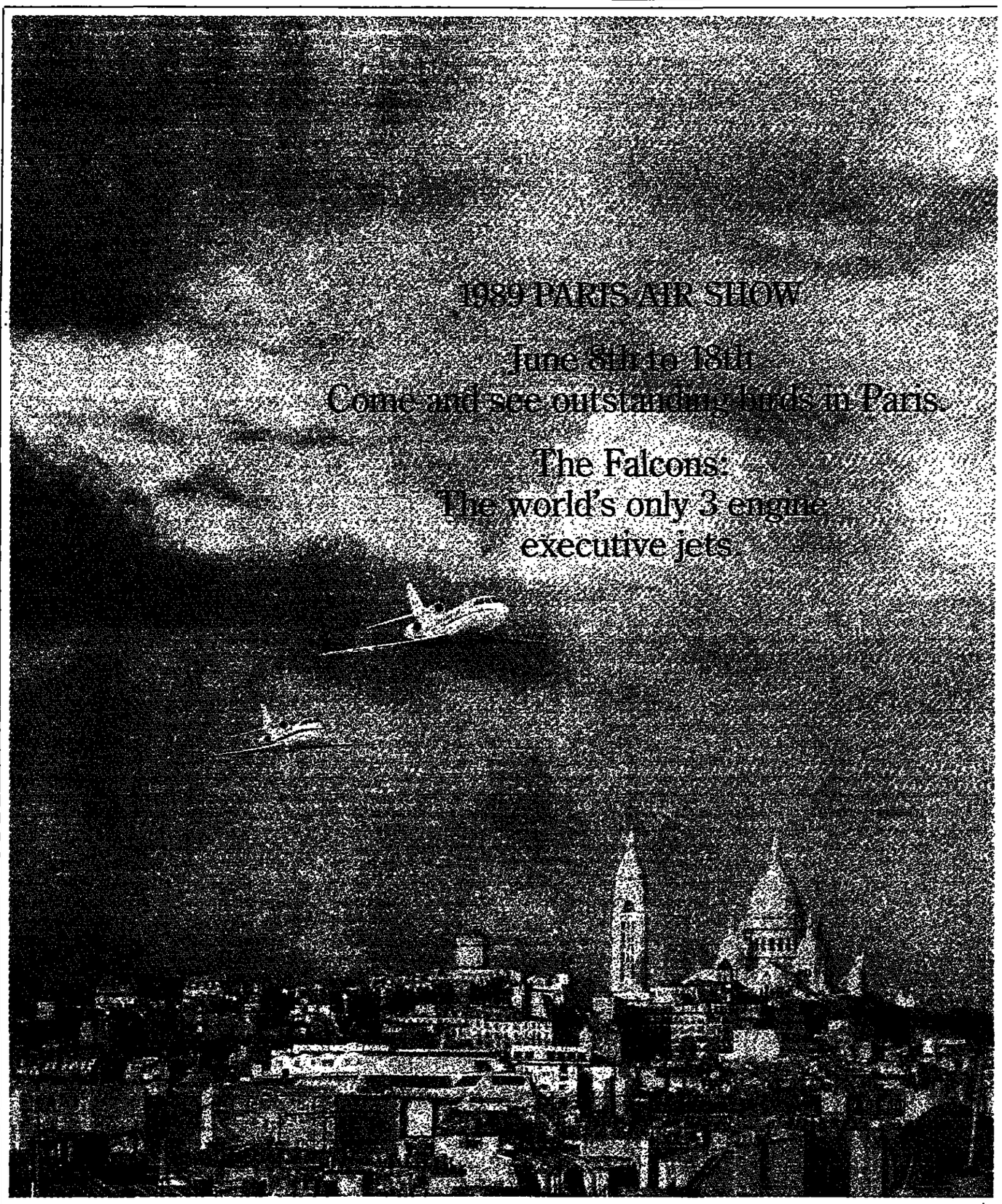
According to the sources, Mr. Sununu called a session Saturday morning to review the last week's efforts and conduct what one official called a "reflective self-evaluation" by the staff. But an official said the session was preceded by charges and countercharges over who was talking too much to reporters.

Mr. Bush, who has staked the success of his initiatives more on negotiations with Congress than on communicating with the public, has received far less attention on television news in the first three months of his term than either Presidents Ronald Reagan or Jimmy Carter in the same period. Aides to Mr. Bush have said he does not consider television an essential tool in achieving his goals.

But some of his subordinates say the White House has also been suffering from lack of a central strategy for presenting Mr. Bush's domestic priorities. A source outside the White House said Mr. Sununu "thought he could do it himself, doesn't think it's that vital anyway, and now that it's not working out, is saying it is working, and if it isn't, it's not my fault."

L. Mark/Reuters-UPI

STILL RUNNING — President Bush and Lee Atwater, Republican National Committee chairman, jog in the rain in Washington.



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AMERICAN TOPICS

A U.S. Trade Envoy Who Knows Japan

Many high Japanese officials know English and the United States, The New York Times notes, but few senior American officials know Japanese or Japan. Now the nomination of an American lawyer in Tokyo, Sidney Linn Williams, as one of three deputies to the U.S. trade representative, Carla A. Hills, could be a sign of change.

Mr. Williams, 42, a Harvard Law School graduate who also studied at Cambridge University under a Fulbright Scholarship, learned Japanese in 1974 while working for a Japanese law firm in Tokyo. He returned to Tokyo in 1985, opening a law office there for the Los Angeles firm of Gibson Dunn & Crutcher.

Short Takes

Los Angeles hopes to relieve freeway congestion not by building more freeways, which would be forbiddingly expensive, but by widening the existing ones by several lanes and, for the first time in the first city designed for the automobile age, by double-decking existing freeways, although double decks have been built in other cities. Preliminary work on one 1.5-mile (2.5-kilometer) stretch of double deck segment has begun, and a total of 2.25 miles of double deck, to be restricted to buses and car pools, is scheduled to open in 1993. An additional eight miles are to be widened.

About 130 executives who have lost or stand to lose their jobs in corporate takeovers have formed the Loyal Order of Swine Singers for mutual support and job counseling, the Los Angeles Times reports. But why swine? "Never try to teach a pig to sing," a LOSS spokesman explains, noting that executives rarely listen to those whose company they have taken over. "All you do is waste your time and annoy the pig."

A new laser technique removes tattoos with little pain or scarring, according to researchers at Massachusetts General Hospital. The laser blasts away color beneath the skin in such a way that blood vessels and ordinary cells are not affected. A hospital spokesman said that of 41 tattoos removed on 13 people, about half were erased completely and the other half were faded.

A decision by the U.S. Fish and Wildlife Service to list the northern spotted owl as a threatened species could protect up to half of the three million acres (1.2 million hectares) of old-growth forest left in the United States, most of it in the Pacific Northwest, The New York Times reports. The service found that the 1,500 surviving spotted owl pairs would soon die out unless the cutting was severely limited. The service is a branch of the Interior Department, whose secretary, Manuel Lujan Jr., said he would support the decision.

The crack of the bat is giving away to the clink of the bat everywhere but in professional baseball. Metal bats now outsell wooden ones by 9 to 1, according to U.S. News & World Report. When metal bat meets ball, the sound is a clink, a clank or a clunk. But metal bats last longer and cost less.

A New York Times reader, Jamie M. Saul, reported this conversation on a crosstown bus in Manhattan between a 30-ish father and his 4-ish daughter:

Daughter: Daddy, I'm *never* going to take drugs.

Father: That's great. I'm really glad to hear that.

Daughter, after a pause: Daddy, what are drugs?

Arthur Higbee

Herald Tribune INTERNATIONAL
Published With The New York Times and The Washington Post

Together in Space

America's space program began and blossomed in competition with the Soviet Union. With the rivalry easing, it is possible to think what was unthinkable during the chilly Cold War years: Let the superpowers give up costly competitive extravaganzas and go into space together.

Lacking a clear presidential mandate for the past 20 years, NASA has kept itself in business by building hardware. First came the space shuttle; now it is pushing the proposed space station. But the expensive manned space programs have robbed funds from far more fruitful space activities.

The Magellan spacecraft to be sent toward Venus from the shuttle Atlantis, now awaiting launch, is the first U.S. planetary mission in a decade. Since the moon landings, NASA's manned missions have yielded little but publicity and continuing risk of catastrophe.

The proposed space station is a camel designed to perform a dozen missions but able to do none of them well. It is in an unfavorable orbit for observing Earth. Putting astronauts on board will jar astronomical telescopes and industrial processing experiments. The numerous shuttle flights needed to construct and maintain the station pose a significant chance of accident. Why invest $29 billion, and risk a shuttle crew, to do little more than keep up with the Russkies? The question takes on added bite because the Russkies seem increasingly uninterested in keeping up with the Yankees.

The Russians last week brought down the crew of their Mir space station, leaving it unoccupied. Last month the second of two Soviet spacecraft sent to Mars was lost near the Martian moon Phobos. The Soviet space program is coming under public criticism. All this gives President George Bush a unique chance to define some valid goals in space, goals that both countries might agree on — and pay jointly to achieve.

By far the greatest scientific payoff in space comes from unmanned spacecraft. A prime candidate for support would be a mission to the solar system's most important planet — Earth — with satellites designed to monitor its climate and environment. A second candidate is orbiting telescopes that could view the sky free of Earth's distorting atmosphere. A third is automated spacecraft to explore other planets.

The two countries' space programs could complement each other for all such missions. Americans know how to build reliable, well instrumented spacecraft; Russians have plenty of powerful launch rockets.

What about jointly putting humans in space? Almost every proposed manned mission could be done more safely and cheaply by machines or remote operation from the ground. The only real exception would be missions with some diplomatic purpose. Beating the Soviets to the moon was one such case. Going with them to Mars, or to reestablish a moon station, might be another.

Critics object that such long-term missions would be imperiled by the inevitable fluctuations in U.S.-Soviet relations. But the best argument in their favor is that such missions might help reduce such fluctuations.

A U.S.-Soviet moon base could become an invaluable platform for observing the universe, for preparing for flight to Mars, or even for defending against encroaching asteroids like the one that almost hit Earth with the force of 20,000 megatons of TNT last month. The cost of a moon program would be shared, would be spread over many years and at least would serve a clear purpose, unlike most of NASA's present budget.

Mr. Bush could start by defining a goal worth risking astronauts' lives for. If he can find none, let him cancel the manned space program and the space station, and apply the vast savings to putting NASA back on the frontiers of technology and robotic space exploration. Mikhail Gorbachev might be pleased to join in one giant leap for mankind.

— THE NEW YORK TIMES.

A Cool $5 Trillion

In the last 40 years the American standard of living has doubled. Last winter GNP reached a rate of $5 trillion a year, the statisticians have announced. That figure is an invitation to take stock of this enormous flow of material wealth. Per person, discounting inflation, GNP is slightly more than twice as large than in 1949.

In 1949 Americans were living at just about the same standard of wealth at which, for example, Spaniards live today. By 1969, American wealth per capita, in terms of its actual purchasing power, was similar to that in West Germany today. That second comparison raises some of the ambiguities of this subject. Americans don't really feel much richer than West Germans, just as they don't seem to feel much richer than they were 20 years ago. In fact, they are more than one-third richer. Americans have many more cars and television sets than Germans, they live in bigger houses, and they have better access to college education. But the levels of technology and culture are as high in Germany, people eat as well and the system of social security and benefits there is much stronger.

In the 1950s and 1960s, Americans felt their rising prosperity sharply and took great satisfaction in it. In the 1970s and 1980s the great engine of economic development kept pushing upward, not quite as fast as before but still moving at a substantial speed, yet there has been a common perception of stagnation. Many Americans seem to feel that whatever the statisticians may say, increases in income are not buying the kinds of dramatic improvement in terms of daily life that they did earlier.

Spending habits have changed as the country got richer. In 1949, more than a fourth of consumer spending went into food. Today it is less than a sixth. The share of spending that goes for alcoholic beverages is less than half what it was 40 years ago. The share spent on clothing is down. The biggest increase has been for medical care. As a proportion of all personal spending it has tripled since 1949. The share that goes into housing is up by half, as Americans have used their rising incomes to put themselves into bigger and more comfortable houses, better equipped and better maintained.

It is an interesting question: If your income were to double, what would you do with it? When countries get wealthier, the results are never quite what you would expect. In the time in which Americans' incomes have doubled, not much has gone into trips around the world — the share spent on foreign travel is actually down a little since the late 1960s — or champagne. Above all else it has gone into housing and health, and Americans have begun to notice that they don't seem to be healthier than people in less wealthy countries. They live just about as long as West Germans, and slightly less long than Spaniards.

— THE WASHINGTON POST.

A Haphazard Front

President George Bush has now improved the terms of the $7 billion FSX fighter plane deal that the Reagan administration reached with Japan. If Congress goes along, Mr. Bush will have removed a growing irritant in relations between America and a valued ally.

But the FSX episode nevertheless shows how high a price Washington pays for the incoherence of its policy-making toward Japan. Instead of presenting a unified front, each federal agency deals separately with Japan's shrewd negotiators, a sure recipe for a bad deal and prickly relations.

The FSX is a new fighter plane that Japan plans to develop, patterned loosely on America's F-16. Japan has every right to develop its own military equipment, but the deal is particularly painful to the United States for several reasons.

If Japan were to buy the American F-16 off the shelf, it would (a) get the world's best fighter at an unbeatable price and (b) help significantly to relieve its trade surplus with America, now $55 billion a year and rising again. Instead, Japan chooses to develop its own fighter at three times the cost, which increases America's burden in defending Japan, while probably facilitating Japan's challenge to America's civil aviation industry.

This appears to be of little concern to the Defense and State Departments, whose main interest is to maintain good relations with Japan. They agreed last year to transfer the F-16 technology that Japan needed for the FSX. In so doing they excluded the Commerce Department and failed to nail down important details, like how much of the production work American firms would receive and what technology the United States would receive in return.

Robert Mosbacher, the new secretary of commerce, objected to the deal. Now Washington has improved it. The best logical choice for both sides would still be for Japan to buy American-made planes, but it is probably too late to insist on that. The administration therefore sought to patch up the old agreement, notably by insisting that American companies get about 40 percent of the production work.

This should be enough to keep a critical technology, engine production, in America, although the agreement apparently does not specify this. Mr. Bush also made clear that certain technologies would definitely not be passed to Japan, another point that had been left murky.

Washington's policy toward Japan, Robert Pear wrote recently in The New York Times, "is so confused and uncoordinated that many American officials say they cannot figure out how it is made or why economic concerns are regularly subordinated to military and political objectives." Each agency tries to cut its own deal, a luxury hard to afford now that Japan is so significant an industrial competitor.

Even now, the Bush administration has not wholly learned the lesson. When Masaji Yamamoto, director general of the Japan Defense Agency's procurement bureau, came to Washington last month, he was allowed to meet separately with American officials at the National Security Council, the Pentagon and the State Department.

The details of the FSX deal are classified, at Japan's request, and so cannot be publicly debated. That is all the more reason for Congress to review the agreement carefully. Even more important is to recognize that economic strength and national security are two sides of the same coin, and must be considered together if the United States and Japan are to compete and cooperate.

— THE NEW YORK TIMES.

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OPINION

'Now, if there are no further comments, let us continue . . . '

NATO: The German Question Is an Opportunity

By William Pfaff

PARIS — Once again, with drama, the German Question is posed. With an excess of drama, one may think, as people in the other NATO countries read into this a German defection from the common cause. It certainly is not that. Nor is it evidence of a split in the West that did not before exist. What Chancellor Helmut Kohl has done, by demanding "speedy" negotiations to do away with short-range missiles in Germany, is simply make NATO's divisions evident. This is not a bad thing.

There is a basic disagreement on nuclear weapons use. The United States is committed to a war-fighting conception of nuclear weapons. These are to be used in Europe if conventional defenses falter or are overrun. Germany is committed to a wholly deterrent deployment of nuclear forces in Europe, rejecting the notion that they should actually be used — since any use of them would most probably be against targets inside Germany (East or West).

France, the other Western power with nuclear weapons on the scene, holds a theory of strategic nuclear deterrence, reinforced by "pre-strategic" battlefield missiles whose function is to deliver a signal or warning of impending strategic warfare.

The United States and Britain say that battlefield nuclear weapons are necessary to offset Soviet-bloc conventional superiority. They are to be used, if it comes to that. The others consider them (or have considered them) a necessary contribution to overall deterrence, but only that.

One should make no mistake about who is in the minority in this intra-alliance fight. It is Britain and the United States. West Germany has the clear support of all the continental NATO powers except France, and undeclared, if not unqualified, sympathy from France.

A second disagreement has to do with larger matters than missile modernization. It is not what to do about Soviet disarmament proposals, but what to do about Central Europe. Mikhail Gorbachev has opened the door to radical change. The West Germans, and those who agree with them, insist that these be imaginatively explored, and are angry with those who hold back. They say Mr. Gorbachev must have a serious response even if, as some critics warn, his is a false opening, only propaganda, a tactic to divide the West, behind which Soviet hostility to the West is unchanged.

The U.S. government's responses until now have been ungenerous. It has said that Mr. Gorbachev must do much more to prove his sincerity. The Washington reaction last week to the German refusal of missile modernization included annoyance that the West Germans have seized leadership from the United States at a time when George Bush's people were considering new arms proposals of their own — "to blow Gorbachev away," as one administration official is quoted as saying. That quotation suggests that Washington still sees the issue as a propaganda matter, which is exactly what the Germans do not think.

The West Germans have revealed NATO's divisions, and NATO's controversy reveals the extent to which the German problem troubles the NATO allies. The German problem has to do with Germany's future and the concern felt about that by the other European states — the East European states included, and the Soviet Union.

There is a bloody history of German political romanticism, drawing the Germans toward large and unrealizable projects which end badly. There is an unfortunate history of German discontent with ordinary limits, and of efforts to escape what Germans perceive as the constraints and disadvantages of their situation, without paying a price. What most disturbs foreigners today is the mistiness of some expressed German expectations of how peace and reconciliation are to be achieved in Central Europe, thanks to Mr. Gorbachev's goodwill — against the supposed opposition of nuclear-minded, war-minded America.

The essential problem is how to respond to a series of Soviet arms and political proposals that raise the possibility of real European change, and altered East-West relations, for the first time since the Cold War began.

By breaking the NATO consensus, Mr. Gorbachev has usefully confronted NATO with its own limits, but has also revealed how badly the West is doing in thinking about the future. There has to be serious thought about political change in Central and Eastern Europe and how it can be managed so as to end well. This means that Washington and London must take West Germany seriously. It means that the allies must provide the Germans solidarity, to avoid West Germany's isolation.

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China: Does Deng Remember the 1919 Surge?

By David L. Shambaugh

LONDON — Prime Minister Li Peng told journalists covering the National People's Congress in Beijing last month that China was not yet ready for democracy. Chinese students have given Mr. Li and his Politburo colleagues their response in demonstrations calling for an end to "dictatorship" and demanding increased democracy, freedom of the press, speech and assembly, release of political prisoners and an end to persecution of intellectuals.

The ostensible catalyst for this outpouring of political frustration was the death on April 15 of the popular former Communist Party leader, Hu Yaobang. While no liberal democrat, Mr. Hu had become a symbol of political liberalization and a champion of intellectuals since his own fall from power following nationwide demonstrations in December 1986.

Those demonstrations were not triggered by Hu Yaobang but rather by the astrophysicist and dissident Fang Lizhi. But as a result Mr. Hu became a scapegoat for those hard-line elements in the leadership who oppose democratization in any form. They not only fear loss of their own positions should political power be devolved, but argue that democracy inexorably produces social instability, which in turn wrecks economic growth.

As Mr. Li told deputies of the People's Congress, "Any social turbulence and chaos will hamper advancement of reform and construction."

The "conservative" leaders miss the positive link between political liberalism and economic dynamism. This linkage is as clear to Chinese students and intellectuals today as it was for their forebears who marched during the May 4th Movement of 1919 calling for "Mr. Science, Mr. Democracy." That epic movement, which took shape on the campus of Beijing University, gave rise to the founding of the Chinese Communist Party.

While the political legacy of the May 4th Movement resonates in the minds of Chinese intellectuals, memories of the bonds formed between students and workers at that time are not lost on China's leadership today. This is a potentially explosive combination that the leadership will do its best to keep from coalescing. The demonstrations of 1986 brought large numbers of young workers out into the streets of Shanghai and other industrial cities to join their student allies.

The situation in China today is far more volatile than it was two years ago. Virtually every segment of society is discontented and alienated. The reforms have stalled, even been retrenched, while a revolution of rising expectations continues. Many of these demonstrating students are oriented toward Western-style democracy, but looking at the Soviet Union, Poland and Hungary they see a greater willingness on the part of those Communist regimes to permit more meaningful political participation than their own supposedly reform-minded leadership is willing to allow.

Faced with student demonstrations, wildcat strikes by workers, dissident intellectuals, agricultural shortfalls that have reduced peasant incomes, a military grumbling about budget cuts and demobilization, and deficits in the national budget and in foreign trade, China's leadership seems to believe it has no choice but to contain discontent by returning to neo-Stalinist methods of rule.

The students demonstrating in the streets are saying there is an alternative — further liberalization. Taking inspiration from the May 4th Movement, they are saying that democracy and modernity go hand in hand. Deng Xiaoping, himself a May 4th participant, should listen to this message, although his record suggests that he will not.

The writer is a lecturer in Chinese politics at the School of Oriental and African studies, University of London. He contributed this comment to the International Herald Tribune.

Thailand: Off and Running for Profit in Indochina

By Donald E. Weatherbee

BANGKOK — Shortly after he took office in August, Chatichai Choonhavan, Thailand's prime minister, said it was his government's intention to turn the battlefield of Indochina into a marketplace. This was the signal for a bold Thai effort to end the conflict in Cambodia. Mr. Chatichai fired the starter's gun for what one of his policy advisers has called the race for Indochina. The competitors are Thai business interests, and the rewards are economic spoils.

As originally conceived by the young intellectuals who backstop him, the prime minister's initiative was designed to give greater incentive to impoverished Vietnam and its client government in Phnom Penh to make concessions to ASEAN, the Association of South East Asian Nations, in a Cambodian settlement. The incentive, however, has become an end in itself, increasingly unconnected to the search for a comprehensive political resolution of the Cambodian conflict.

The haste with which Thai politicians, businessmen and generals have vied for contracts, concessions and quick profits from their economically disadvantaged neighbors has made political concessions by Hanoi and the Vietnam-supported government in Phnom Penh unnecessary. The carrot is being proffered without a stick.

The diplomatic result has been total disarray in the common front on Cambodia that ASEAN had successfully maintained since Vietnamese forces invaded in December 1978. The Ministry of Foreign Affairs is struggling to salvage constancy and credibility in Thai policy, but the ASEAN consensus has unraveled. The first winners in the race for Indochina are Vietnam and its protégé in Cambodia, which the Thai government has legitimized.

What Mr. Chatichai calls "baht fellowship" has many of the hallmarks of old-fashioned dollar diplomacy, in which economic advantage leads to a variety of interventionist activities. It is probably an exaggeration to describe Thai ambitions simply in terms of plunder and exploitation. However, having exhausted many of Thailand's natural resources, Thai political and military entrepreneurs want access to the forests, fisheries and minerals of neighboring countries.

Among the schemes that are floated here almost daily, precious few will contribute to real economic growth strategies for Laos, Vietnam, Cambodia or Burma by investment in value-added export industries, technology transfer or skills and training. These countries to the east and west of Thailand are viewed as a kind of resource-rich hinterland for exploitation.

The Thai-Burmese relationship has raised moral and human rights questions. Through military-to-military channels, Thailand has taken advantage of the dire circumstances facing General Saw Maung and his regime in Rangoon. The Thais have extracted unprecedented forestry and fisheries concessions. They have forced dissident Burmese students who sought shelter in Thailand to return home. And they pay for natural resources which Thailand gets from Burma in baht so that the Burmese military regime can buy arms and ammunition.

Since late last year, logging has been banned in Thailand. Privileged sawmills will have access to Burma's hardwood forests instead.

Burmese fishermen are confined to port while Thai trawlers continue to deplete fishing grounds in Burma's section of the Andaman Sea.

The deep involvement of the Thai military in Burmese resource exploitation carries with it the temptation to intervene in Burma's internal affairs. Already, logging concessionaires backed by the Thai army are calling on the military for assistance in getting to the timber in jungle zones controlled by Burma's minorities who are in revolt against the central government in Rangoon.

General Chaovalit Yongchaiyut, the Thai army commander, has put the military way ahead of other powerful institutions in Thailand in the race for Indochina. In addition to army-brokered deals with Burma, he has played a lead role in blazing the way to Laos. The army has emerged as coordinator, or de facto agent, for all Thai bureaucratic and business contacts with Laotian counterparts. Army-related business interests, including the Military Bank, are deeply involved in exploring economic penetration in Indochina.

Thailand does not recognize the Vietnam-backed government in Cambodia, but the visit to Bangkok in January of Hun Sen, prime minister of the Phnom Penh regime, was a public celebration of the new Thai-Cambodian relationship. Before Hun Sen met Mr. Chatichai, however, he had met General Chaovalit in secret. According to commanders of Phnom Penh government forces, the Thai military today is "neutral" in their war against the Cambodian resistance.

It would be an ASEAN irony if the impetus on the Thai side for disarming the resistance came not so much from a desire to keep the Khmer Rouge from power, but to prevent Cambodian guerillas from spoiling the cross-border business of influential interests in Thailand.

Prime Minister Chatichai has been a winner, too. He has cemented his grip on his Chart Thai party, the largest in the ruling coalition. Its powerful business supporters are getting chunks of the economic action in Indochina. And the pragmatic alliance that Mr. Chatichai has struck with the military on Burma and Indochina affords him a greater degree of political security.

The prime minister's policy advisers may pride themselves on wresting the initiative from bureaucrats in the Foreign Ministry, but they must realize that they have simply transferred it to the army. The big loser is ASEAN. The collective momentum of opposition to Vietnam's direct or indirect control of Cambodia has ground to a halt. Thailand's resort to unilateralism undermines prospects for promoting a genuinely independent and neutral Cambodia. It also undermines the possibility of ASEAN fashioning a multilateral framework for dealing with regional problems after the Cambodian war has ended.

The writer, professor of foreign policy at the University of South Carolina, is a visiting fellow at the Institute of Security and International Studies at Chulalongkorn University in Bangkok. He contributed this comment to the International Herald Tribune.

Free Trade Is Going Out of Style

By Hobart Rowen

WASHINGTON — For five years, congressional Democrats tried to push Ronald Reagan into a "tougher," more aggressive trade policy. In today's world of subsidies and government involvement in economic affairs, they suggested, "free trade" is an outmoded academic concept.

Last year, with the U.S. trade deficit in excess of $150 billion, a Democratic Congress forced new legislation down Mr. Reagan's throat, complete with a variety of new tools with which to retaliate against "unfair" competition.

Now it falls to the Bush administration to enforce the new law. And the Bush team is proceeding with gusto, so much so that when the new secretary of commerce, Robert Mosbacher, last week outlined his views, he won the plaudits of Representative Richard Gephardt and other Democratic members of the important Ways and Means trade subcommittee.

Mr. Gephardt and other Democrats are happy that Mr. Mosbacher is willing not only to retaliate against supposed unfair practices but also to give a governmental boost to specific industries, including high-definition television (HDTV), by relaxing antitrust rules. Whether the Bush administration — which still includes an enclave of true believers in free trade — will go along remains undecided.

Mr. Mosbacher, a close personal friend of George Bush, has asserted for himself a much more active role in economic policy-making than has been usual for a secretary of commerce. Like the late Malcolm Baldrige, he is no blind respecter of turf and insists on making himself heard.

The Republican administration still describes its posture as free trade — with a "but."

"Our commitment to free trade will remain unfailing," Mr. Mosbacher told the trade subcommittee. "But history has also taught us that free trade must be a two-way street. Whereas the U.S. position of dominance following World War II enabled us to stand at the center of the world trading system as a kind of free trade buffer, our trade deficits of over $100 billion show that the United States can no longer carry this burden alone."

Within a few weeks, U.S. Trade Representative Carla Hills is to name the key offending countries. No names have been released, but the "bad guys" on Mr. Mosbacher's tally of major surplus countries are Japan, West Germany, Taiwan and South Korea.

Essentially, as Mr. Mosbacher explains it, the rationale for the new policy is that America must pay more attention to its economic security, without which there is no true national security. And economic security depends on not being shut out of other countries' markets.

Mr. Mosbacher denies any animosity toward Japan. Recalling the way he operated as a hard-nosed businessman in Houston, he told me: "I don't see why we and Japan can't be friends and allies, as well as tough competitors."

I suggested to him that he was raising expectations that cannot be fulfilled by describing America's internal problems — budget deficits, a flawed education system, inattention to quality — merely as "a large part" of the trade deficit's cause. Even Mr. Gephardt acknowledges that these macro problems account for 80 percent of the explanation, with only 20 percent chargeable to "unfair" trade practices.

Mr. Mosbacher's answer was that it is difficult to assign specific percentages. But the unfair practices should not be ignored, and the administration can do something about them, he says.

It's a weak response. Nobody in his right mind defends unfair trade practices. There is a risk, however, that bureaucrats, pressured by industry, will designate as unfair those activities at which America's competitors simply excel, since America undertakes unilaterally to define what is "unfair."

Much of the deficit problem lies in the harsh reality that some American products don't measure up, while there is a strong consumer demand for foreign products of proven quality. Mr. Mosbacher is generating a plan, still in the formative stage, to provide an extra tax credit to American companies that earn a quality award in a rigorous competition.

A stress on quality (I don't know whether a tax credit is necessary) is the more productive area in which to be attacking the trade problem. Sure, the Japanese use nontariff barriers to discriminate against imports, and that must be changed. Would that as much American energy were expended in trying to solve the budget deficit and quality control problems as is focused on trying to wipe out unfair trade practices.

The Washington Post.

100, 75 AND 50 YEARS AGO

1889: Centennial Fêtes

PARIS — The programme of the fêtes at Versailles next Sunday [May 5] has been officially confirmed. The President of the Republic will drive to Versailles, where troops garrisoned will keep the road. At 2 P.M. the President, accompanied by the Ministers, will proceed to the old Hotel des Menus Plaisirs, in which the States General held their meetings in 1789. The National Hymn will be played as the President inaugurates a tablet placed upon the house to commemorate the meeting of the States General. The President will deliver an address in the Galerie des Glaces. At 5:30 P.M. M. Carnot will officially inaugurate the Neptune fountain, which has been completely restored. The festivities will be terminated by a grand display of fireworks in the evening.

1914: A Royal Death

LONDON — The Duke of Argyll died at 10:50 last night [May 2] at Kent House, East Cowes. The news was immediately communicated to the King and other members of the Royal Family. The Duke of Argyll, who married Princess Louise, the fourth daughter of Queen Victoria, was therefore a brother-in-law of the late King Edward. The Duke was 68.

1939: Pulitzer Prizes

NEW YORK — Trustees of Columbia University today [May 2] announced the 1939 Pulitzer prizes as follows — Drama: Robert E. Sherwood, for his play, "Abe Lincoln in Illinois." Novel: Marjorie Kinnan Rawlings, for her best-seller, "The Yearling." Poetry: John Gould Fletcher, for his collected poems. History: Frank Luther Mott, for his "History of American Magazines." Best public service performed during the year by a newspaper: Miami "Daily News." Distinguished service as Washington or foreign correspondent: Louis P. Lochner, chief of the Associated Press bureau in Berlin.

OPINION

Too Soon for a Mighty Germany

By A. M. Rosenthal

NEW YORK — Nobody is telling the truth. In weeks of arguments and pronouncements about West Germany, NATO, the Soviet Union and short-range nuclear weapons, no diplomat, politician or national leader has had the courage to say plainly what lies beneath it all.

It is this fear:

West Germany, already the dominant economic power in Western Europe, will use the Gorbachev openings to become the dominant economic power in Eastern and Central Europe as well. Huge amounts of West German money and technology will pour into the Soviet Union and its allies, leading to a West German-Soviet economic and political alliance.

Then, under pressure from Moscow and Bonn, the East German Communists will relax their rigid controls over the half-nation they rule courtesy of the Soviet army. The gap between West and East German societies will narrow. Both halves will demand unification — and have the power and Soviet partner to bring it about.

Even before unification, Western Europe will face its nightmare come to life — a mighty Germany working in tandem with a rejuvenated Soviet Union. The Soviet-German alliance will not have to use military power to get its way in the world; economic and political strength should do nicely.

All this is not an inevitability, but neither is it a fantasy. It is a feasible outline of the future between a Germany that feels it no longer needs American armed protection and wants to cut its own path again and a Soviet Union freed by Mikhail Gorbachev from Stalinist constrictions and ready for experiment at home and abroad.

Dread of a new Soviet-German alliance was part of the reason for creating the Western alliance. The West has attempted, almost since the end of World War II, to bind West Germany into the alliance with political, economic and military links. The West's fear comes from the very logic of the concept that an unrestricted Germany would again seek power in the East. This time it would be through agreements and investment, not conquest and invasion. Then it would use that additional power when it faces West.

Why don't Western leaders talk openly of this fear? For one thing, Britain and the United States are worried about the German demand for talks with the Soviet Union on short-range nuclear weapons. They are concerned that this could lead to a Europe where the whole balance of power would be changed in favor of the Soviet Union. They are not looking for more trouble to talk about.

But every refusal to face reality runs deeper than the surface reason.

The possibility that West Germany would one day be strong enough to go its own way was always a thought that no reasonable person could ever forget, Western alliance or not.

Despite the importance and reality of West German partnership in NATO, maybe even because of it, the fear of Germany never disappeared.

It is too early. Too much death, too many horrors that can hardly be uttered; too early. Never mind public statements; test yourself. Each person can look into himself and answer whether the fear of a Germany unbounded has gone.

So little truth is spoken because it is simply too possible, too logical, too terrible, too shallowly covered in the souls of people and nations to face bringing up.

But national leaders must confront pain of truth and not fear to speak it. Their worth depends on it.

The throat still tightens at the thought of how close the allies came to annihilation or worse. If Winston Churchill and Franklin D. Roosevelt had not lived, would we?

Until now, the West could soothe its fears by assuming that the Soviet Union was just as opposed to anything that would make Germany the world's economic superpower, unfettered.

Mr. Gorbachev's goal is to rescue the Soviet economy. He may decide that great German treasure is worth great German power — if it is allied with the Soviet Union. Certainly the element of doubt is now one of his more important face-down cards.

But the Soviet people, perhaps more than any other, have the memory and fear of German power in their bones. A foreign visitor hears the stories of massacre, sees the monuments to the dead in every city and knows that fear of Germany has not gone — nor anger and resolve. He knows that here is something in common that is almost transcendental. So despite German interest in the Soviet connection, and the power logic, it could cause too much revulsion in Soviet hearts, perhaps including Mr. Gorbachev's.

But, like all real dangers it will never disappear until it is faced, and until the truth is spoken.

The New York Times.

ON MY MIND

For a German Deterrent

RATHER than bicker with Bonn over one nuclear issue after another, the Bush administration should withdraw the U.S. promise of a nuclear "umbrella" for Europe and encourage Bonn to build its own limited but credible nuclear arsenal to deter a Soviet attack.

Washington should develop a plan to phase out both its short-range nuclear weapons in West Germany and its threat to use long-range missiles in defense of Europe. As part of that process, it would transfer or sell to West Germany two or three Trident submarines. Bonn would pledge no further expansion of its nuclear arsenal, leaving it with a force inadequate to launch an aggressive first strike but sufficient for deterrence. Would the West German people accept a nuclear role? They could say no, but then they would bear full responsibility for remaining "a target without a shield."

— Doug Bandow, of the Cato Institute, commenting in The New York Times.

If You Have to Lose a Bag, Senegal May Be the Place

By Julie Sell

PARIS — The dicum of the backroad traveler, pack light, was my guide when I packed essentials in a nylon travel bag. I planned a simple, off-the-beaten-path vacation in West Africa, and would bring only the bare necessities. With a compact bag and camera gear, I was ready for rural Senegal.

The bag, which touched down briefly in Dakar, ended up in Mauritania. (The ethnic troubles between the two countries had not yet exploded.) The message from airline officials once the mistake was discovered was that the bag was *not lost* and could arrive in the southern city of Ziguinchor *on the next flight* from Dakar. What they didn't say was that Air Senegal made the flight only once a day.

MEANWHILE

I gave up waiting after 48 hours and left to explore sans sack. With a newly purchased change of clothes and a toothbrush, I set out for the Casamance region.

The crammed *taxi brousse* stopped in the middle of nowhere, it seemed, to disgorge my Senegalese companion and me, then sped away in a cloud of dust as we began the walk to our campsite. After a few minutes in the midday sun I wished I had some sunblock (tucked in the outside pocket of my bag, I recalled). My face was getting fried. By the time the dirt road brought us to the shade of orange trees in a seaside village an hour later, I was glad my only load was camera gear.

That night, walking back along a forest path after a village dance, I realized I didn't need my lost flashlight in the moonlight. O.K., so the moon didn't help inside the hut. But it's not *that* hard to brush your teeth in the dark.

As I settled down to sleep and a mosquito hovered overhead, my thoughts turned to lost malaria pills. Well, I had all the shots, I sighed, abruptly pulling an insect net between me and the bug. I awoke with no sign of a nibble.

A few days later we moved camp, setting off along white-sand beach. It was empty but for a few old shipwrecks. And The Fish. I marched past it but soon realized that N'Dione wasn't with me. He was back there, crouched over a giant thing that had washed up on the beach.

I grimaced. "It's dead. Let's go."

He looked incredulous. "Fish stay fresh for at least six hours out of the water." He carried it for several miles, until we came upon a series of small dunes shielding scrub and brush at the sand's edge. N'Dione proclaimed it the perfect place to cook The Fish.

He gathered sticks and in no time flames were licking at its gills. The Fish, at least a foot long and five inches thick, required some turning. N'Dione accomplished this by lifting its tail and flipping his wrist. Cinders flew every time.

After it had blackened to a sufficiently crusty state — the way I felt after several days in the African sun — he lay his prize on a plate of tree bark. He used a stick to scrape off the scorched patches, and dug through the skin into the white meat with his fingers.

After enough fingerfuls to satisfy my friend, I said I really was full (true) but The Fish had been delicious (well, not bad). Recalling the moist towlettes and Swiss army knife I had put in my bag, I decided it would have been wimpy anyway to wipe my hands and carve off the scaly fish skin before eating. I certainly was glad I hadn't lugged a nylon bag five miles down the beach to this fish fry.

If you have to lose your luggage, it might as well be in Africa.

The last time I really missed my missing bag was in the *taxi brousse* back to Ziguinchor. I was jammed into the rear of this jeep/truck hybrid with 15 other people (it seated 10 comfortably) and was acutely aware of my sweaty garments. A shower and fresh T-shirt would have been heaven about then.

Still unkempt, I was sitting on a park bench in Dakar on my last day in Senegal, reading a newspaper, when a young African, eager to speak with a foreigner, approached and asked if I was perhaps in the Peace Corps. No, I assured him, just traveling light.

That night at the airport, lo and behold, my lost bag awaited me. "It just arrived today," the official beamed. I couldn't help laughing. Next time maybe I won't even bother to pack.

International Herald Tribune.

LETTERS TO THE EDITOR

To Rescue the Amazon Basin, We First Need to Know It

The editorial "To Rescue the Amazon" *(April 21)* states that the plan presented by President José Sarney of Brazil is "sketchy" and aimed at calming international outrage. This is correct. One cannot even call the "Our Nature Plan" a plan. It is more like a hasty pudding prepared by bad cooks.

It is stated that the 4.9-million-square-kilometer Amazon basin is vulnerable to further exploitation. This also is correct. However, one cannot think that an area roughly 20 times the size of Britain will be left untouched in its entirety for eternity. The issue is to know what portions of it will be open for exploration. To help finance research projects for the conservation of certain vast tracts is the useful thing to do.

As to the Rondônia fires and the greenhouse effect, things have to be seen in perspective. The inflated 20 percent figure cited (where from?) as the area devastated in Rondônia equals approximately 50,000 square kilometers, that is, 1 percent of the basin. Furthermore, Rondônia has highly fertile soils and, contrary to the majority of the basin, is an area that certainly should be given over to agriculture.

This is absolutely not to defend the primitive method of clearing by burning. Modern techniques and equipment could avoid it. But the assertion that the fires cause 7 percent of the world's annual production of carbon dioxide is exaggerated, and does not take in account that those emissions were probably absorbed by the neighboring forest. It also leaves open the question: What is the world doing about the other 93 percent? Or is it 97 percent?

While the mistakes of others do not absolve ours, it is a pity that the U.S. government, like that of the other industrialized nations, adopted a softer posture on controlling the fossil fuel emissions responsible for 90 percent of the problem. Likewise, it is frightening to think that the developed countries have given the producers of chlorofluorocarbons another 11 years to destroy the ozone layer. Here in Brazil, some of our states have already banned it altogether.

As to helping Brazil finance conservation projects and studies, this is welcome, provided that real money is being talked about. Debt-for-nature exchanges do not make sense. The debt, as the U.S. secretary of the Treasury, Nicholas Brady, recently agreed, is only paper and accounting columns and will not be repaid in the foreseeable future. Moreover, for the purpose of protecting our Amazon, money has to be lent on subsidized terms. The payback will not be measurable financially, but will come in terms of a better and safer life for everybody.

The World Bank is a good conduit for this badly needed money and it is a good idea to spur development in other areas of Brazil, relieving the pressure on our Amazon. However, the bank should keep in mind that it cannot be the maker of Brazil's internal policy. Also, it should not submit itself to the uninformed demands and dreams of the new ecological sects of New York.

The World Bank, the world and Brazil will be much better off if money is used to fertilize studies, projects and research done in Brazil, by our very good scientific institutions, eventually cross-pollinated with foreign researchers. To rescue the Amazon, we shall have to know the Amazon.

G. de F. FORBES.
São Paulo.

Arms and Social Welfare

Regarding "Arm for the Real Threats" by Stansfield Turner and "Why Cut Back a Winner?" by Admiral William J. Crowe Jr. (April 11):

Two opinion columns by military men hardly constitute a debate over the obvious chance for a cutback of the arms race. Who makes the case for the poor and the collapsing cities? Henry Kissinger wants the arms-reduction savings of the West to be spent on Eastern Europe. Where is the modern-day Eisenhower among conservatives to translate the costs of bombers and rockets into American schools and hospitals?

Is it not time for America's leaders to stop diverting butter into guns? They have not only squandered tax revenue, they seem to have lost all sense of social justice and moral responsibility. Maybe West European leaders should think of raising questions of decency and democracy in directions west as well as east.

JOSEPH LOGSDON.
Munich.

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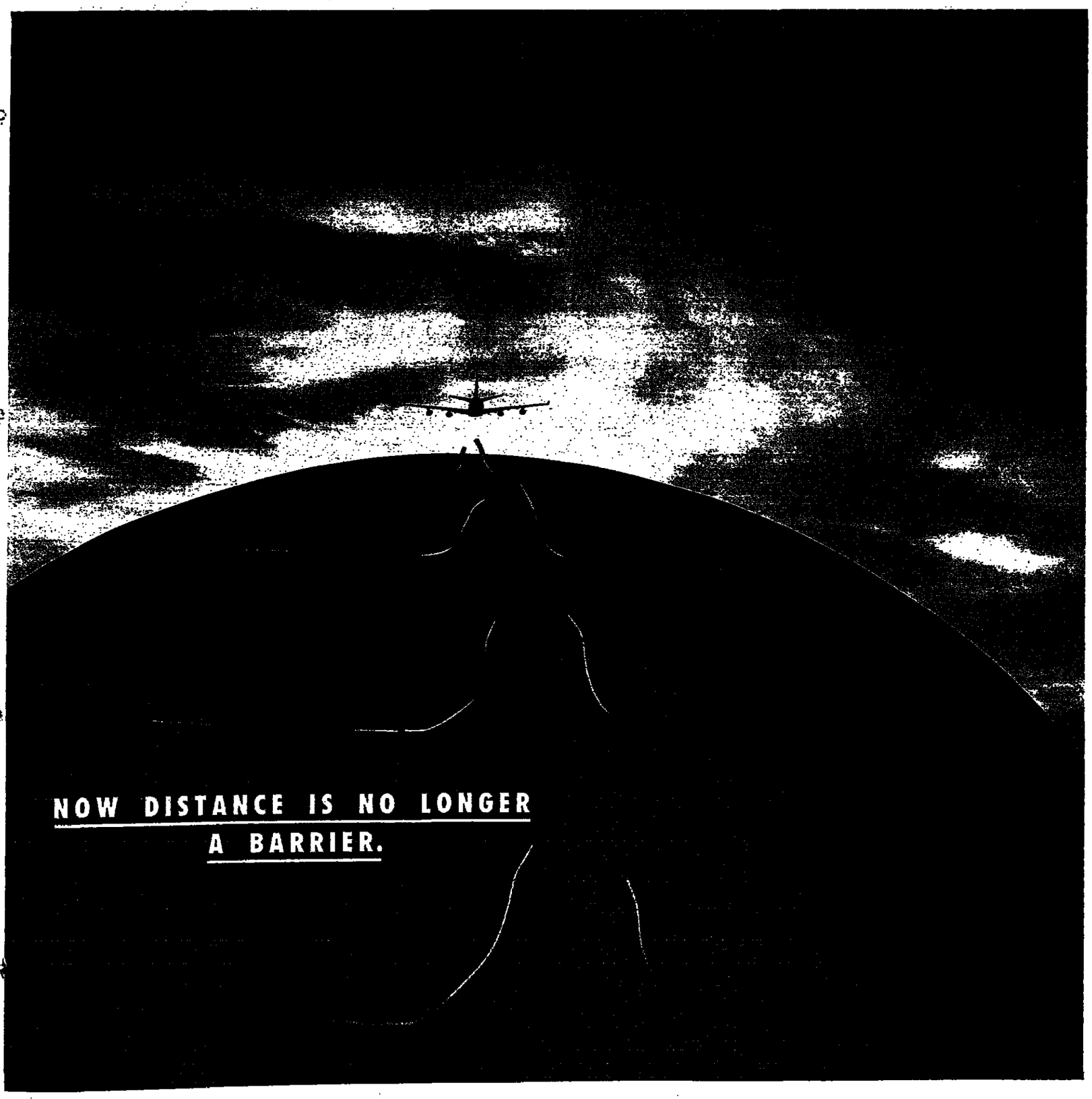
My Midgets Tossed Bombs

Thomas Boswell writes that no basketball coach has told his team to go out and heave only three-point missiles *("Let the Mad, Mad Bombing Begin," Vantage Point, March 22).* Well, he's wrong for once. A year ago, we were playing the league champions in their gym in Geneva. I had a team of feisty amateur midgets. If ever basketball was to see David against Goliath, this was it.

Monday before the Saturday game I put in the game plan: "Three-pointers, three-pointers and if you miss those, more three-pointers." I figured it was our only chance. We lost, 128-91, but the players loved practice that week.

JON FERGUSON.
Lausanne, Switzerland.



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Pretoria Ponders A Tack

Radio Urges Turn To Soviet Trade

The Associated Press

JOHANNESBURG — South Africa should develop trade relations with the Soviet bloc as a counter to punitive economic sanctions imposed by Western countries, state radio said Tuesday.

The commentary by the South African Broadcasting Corp. also diverged from previous government statements by depicting the Soviet presence in southern Africa as legitimate and permanent.

The statement was one of the most explicit expressions to date of a new trend in South African foreign policy, touched off by the diplomatic initiatives of Mikhail S. Gorbachev, the Soviet leader.

"The Soviet Union appears to have accepted that South Africa is the regional power in southern Africa," the radio said.

"South Africa, for her part, must accept that although southern Africa is not a traditional sphere of influence for the Soviet Union, she has been allowed by other governments in the region to establish a presence that is a permanent presence."

Because of this, the commentary said, "a certain degree of interaction is consequently inevitable and, in certain areas, could be fruitful."

Mr. Gorbachev's policies have forced Pretoria to revise its traditional view of Moscow as an archenemy orchestrating black nationalist guerrillas to overthrow the white-dominated government.

In recent months, the two countries have found a common interest in seeking to keep an independence plan for Namibia on track. South African officials also have been pleased by Soviet statements that Moscow seeks peaceful change in South Africa.

Underlining the developments, a Soviet diplomat paid an official visit to South Africa last week for the first time since 1956.

A Long March Out of China

Dissenters and Aspirants Swell Student Ranks in U.S.

By Jay Mathews
Washington Post Service

LOS ANGELES — In what may be evolving into both a stimulus and a safety valve for democratic dissent in China, the number of students in the United States from China is growing so fast that there are now more of them than from any other nation, diplomatic sources say.

According to China's consul general in Los Angeles, Ma Youzhen, there are 40,000 Chinese students in the United States, probably a record for a single foreign country. The influx comes as thousands of young Chinese, inspired in part by growing contact with Western ideas, are demonstrating in Beijing for more democracy.

The rapid growth has taken place despite repeated official efforts to restrict the flow to the United States and prevent a serious drain of educated young people and technical experts. Chinese students and foreign experts said a strong desire for U.S. technology and intellectual disaffection with life in China have overwhelmed such efforts.

Some Chinese and Americans involved in the mostly one-sided exchange of students and scholars noted the relatively ineffective Chinese government restrictions and said they wondered if it might also reflect official willingness to rid the country of malcontents.

"When Taiwan faced the problem of a brain drain 30 years ago, what they did was let it happen," said Richard Baum, a political science professor at the University of California at Los Angeles, who specializes in Chinese studies. "And what it did was not only increase access to technology, but drain off dissent. The idea was, when they were ready to come back, they'd come back."

Mr. Ma disclosed the 40,000 figure in remarks last week at a meeting of the Asia Society, and U.S. officials said their data indicated the number was accurate.

A private group, the New York-based Institute of International Education, reported in its "Open Doors" survey of American universities for the 1987-88 academic year that Taiwan was the source of the most foreign students, 26,660, and that China was second, with 25,170.

But institute officials added that the Chinese group was growing faster than any other — an increase of 25.7 percent from 1986-87 — and that they had little doubt that the mainland Chinese now outnumber those from Taiwan.

Some Chinese students said that many of their friends had dropped off university rolls and would not have been counted, but that they remained in the United States while they sought ways to avoid returning to China.

"There is just so little work for us to do there," said a Chinese student attending a California university. "Conditions are not ripe."

The reluctance to return has put the U.S. Information Agency in the middle of a struggle between the Chinese government and Chinese students holding J-1 visas. The J-1 exchange visitor visa is handled by the agency rather than by the immigration service.

Students holding this visa are required to leave the country once their doctoral work is complete but many young Chinese physicists, whose work has become vital to many U.S. laboratories, are asking to be allowed to stay.

Edward Lau, a San Francisco attorney representing some of the Chinese scientists, said the Bush administration had moved slowly on the issue. "The problem is going to get worse this year," he said.

Much of the discontent sweeping China comes from scientists, educators and office workers who find that their salaries, working and living conditions are not keeping pace with those of peasants and others with far less education.

An American university official said he was receiving 10 to 15 letters a month from Chinese seeking graduate admission "who say they're my best friend ever, based on a 30-second conversation seven years ago."

Wang Bingzhang, a Chinese immigrant who is active in the New York-based Chinese Alliance for Democracy, said efforts to reduce the flow of Chinese students have often failed because powerful Chinese officials want American educations for their children.

Kazuhiro Nogi/Agence France-Presse

Wang Bingzhang of the New York-based Chinese Alliance for Democracy, in Tokyo on Tuesday. He was en route to Beijing to join in the student demonstrations there on Thursday.

This in turn has fueled the political debate over government and economic changes in China. A U.S. government expert said he thought the influx of Chinese students had increased interest in democracy in China, as part of a general opening of the country to outside influence.

Students sending letters home, or returning themselves, have praised the greater responsiveness of American institutions to popular will and the greater tolerance for dissent. A student-run independent newspaper published last week in Beijing included in its first issue an open letter from Chinese students in the United States.

Sihanouk Presses For Multiparty Role

By Steven Erlanger
New York Times Service

JAKARTA — Prince Norodom Sihanouk said Tuesday that further constitutional changes would be necessary before he would be willing to return to the Cambodian government, according to Hun Sen, the Vietnamese-backed prime minister in Phnom Penh.

But, citing other agreements reached with the prince during talks, Mr. Hun Sen said that "there has been quite a big degree of progress" in their talks here.

Mr. Hun Sen said that he had invited Prince Sihanouk, who heads the three-party resistance coalition, to return to Cambodia as a head of state once all Vietnamese troops have left the country. The government, he added, would be enlarged to include some of Prince Sihanouk's followers and other non-Communist Cambodians.

The prime minister said that Prince Sihanouk would like a multiparty system and the elimination of any reference to the "leading role" of the Communist Party. Mr. Hun Sen said he would consider the proposals.

The prince, Mr. Hun Sen said, praised the recent constitutional changes, which also included giving the country a new flag and abolishing capital punishment.

Mr. Hun Sen had separate meetings Tuesday with the prince and with Son Sann, leader of the Khmer People's National Liberation Front. The third faction, the Communist Khmer Rouge, who make up the largest military force in the coalition, was not represented.

Prince Sihanouk, 67, discussed further amendments to the constitution rather than the replacement of the Phnom Penh government by a four-party interim administration, Mr. Hun Sen said.

The prince was ousted in a 1970 coup by rightists now gathered around Mr. Son Sann, who were themselves ousted in 1975 by the Khmer Rouge.

Until the Khmer Rouge were overthrown in Vietnamese invasion in December 1978, more than one million Cambodians are estimated to have died.

Hanoi announced last month that it would withdraw the remainder of its troops from Cambodia by the end of September.

Western diplomats in Indonesia said Tuesday that Mr. Hun Sen's comments seemed to indicate that the prince was seriously contemplating a separate deal with Phnom Penh.

Mr. Hun Sen said that the role of the Khmer Rouge was an important topic of the talks on Tuesday.

[Vice President Dan Quayle, on an Asian tour, said Tuesday that Washington rejected any Khmer Rouge participation in a future Cambodian government, United Press International reported from Singapore.

["There's no doubt where our position is as far as the Khmer Rouge returning to power," he said in Jakarta before flying to Singapore. He added: "We do not believe the Khmer Rouge offers anything except what they offered in the past, and that was mass murder."]

China, the prime military supporter of the Khmer Rouge and the opposition coalition, is not likely to applaud any separate deal made between Prince Sihanouk and Mr. Hun Sen.

Mr. Hun Sen said that the prince agreed that Cambodia would stop accepting foreign military aid once Vietnamese troops withdraw from the country. He said Prince Sihanouk also agreed to the formation of an international group to monitor the Vietnamese withdrawal and any agreement.

Mr. Hun Sen said the prince also had agreed to meet again either in Indonesia or in Paris, perhaps in July. The talks are expected to continue on Wednesday.

The talks with Mr. Son Sann had a different character, Mr. Hun Sen said. He said Mr. Son Sann insisted that the constitution be suspended and the government replaced by a four-party administration that would oversee new elections.

Mr. Hun Sen said that he did not object to the dissolution of his government, "but this right must be exercised by the people of Cambodia through an election."

Evicted South Africa Tribe Loses Court Fight to Regain Land

By Allister Sparks
Washington Post Service

PRETORIA — The small Magopa tribe, forcibly removed from its ancestral land under South Africa's segregationist laws five years ago, failed Tuesday in a court attempt to win back the land.

Judge Willem van der Merwe ruled in the provincial Supreme Court in Pretoria that the tribe had violated judicial procedure by challenging the government's right to the land as a defense against the government's request for an eviction order.

The judge granted the order, which gives tribal members who have drifted back to their old homes seven days to leave.

Tribal members have said in private that they would not leave. If they refuse to go they could face a second forced removal next Tuesday.

The tribe's lawyer, Jules Browde, said he would seek to appeal to South Africa's highest court, the Court of Appeals. If Judge van der Merwe grants the application for appeal before Tuesday the conviction could be delayed until the case is heard on appeal, perhaps as long as a year.

But legal experts said that the government could still seek to have the eviction order complied with despite a pending appeal. The government wants to sell the land to white farmers.

The removal of the Magopa tribe in 1984 caused an international outcry. The U.S. State Department protested to the South African ambassador in Washington.

In September a small group of Magopa were allowed back to their ancestral lands to clean the overgrown cemetery. They remained, others joined them, and a small shanty village arose among the ruins of their old homes. Then the government applied for the eviction order.

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DUTCH DRUG FIND — Two firemen scraping cocaine from one of five rollers of a sheet-steel laminating machine at the Amsterdam airport on Monday. The rollers held 140 kilograms (310 pounds) of cocaine, worth $15 million, the largest cocaine find at the airport.

Kohl Ready to Seek NATO Compromise

By Alan Riding
New York Times Service

ROME — Amid a flurry of consultations aimed at avoiding a serious rift in the Atlantic alliance, Chancellor Helmut Kohl of West Germany said Tuesday that his government was willing to modify its call for early East-West talks on short-range nuclear weapons.

During a visit to Rome for talks with Prime Minister Ciriaco De Mita, Mr. Kohl noted specifically that he saw no problem in linking proposed talks on eliminating short-range nuclear weapons to progress in current negotiations on conventional arms reductions.

"I am very optimistic that it will be possible in the next three weeks to find a reasonable compromise," he said, referring to the meeting of NATO heads of government in Brussels on May 29 and 30.

Trying to dispel the idea of any weakening of West Germany's commitment to the North Atlantic Treaty Organization NATO, Mr. Kohl also repeatedly emphasized the need for a Western alliance that is both strong and united enough to move toward greater disarmament.

"Neutrality is not a policy that secures freedom and peace," he said. "We want a strong NATO because, without a strong NATO, the peace and security of our country and the other NATO countries cannot be assured."

The Kohl government's call last week for early negotiations on short-range nuclear forces has been strongly opposed by the United States, Britain and the Netherlands on the ground that elimination of these weapons could give the Soviet Union a strong strategic advantage in Europe.

But West Germany, which has argued that these weapons are almost entirely based in, or aimed at, its territory, has won the support of Belgium and the sympathy of Denmark, Norway, Greece and Italy for its position.

After the talks in Rome on Tuesday, the Italian prime minister fell short of endorsing West Germany's initial proposal, but he said that "once an agreement on conventional arms has been reached, we cannot exclude reconsideration of the current balance of tactical nuclear weapons."

Sitting beside Mr. Kohl in a news conference, Mr. De Mita also tried to minimize the danger of an embarrassing public feud in Brussels. "You imagine that it will be Thatcher versus Kohl, but it won't be like that," he said. "My opinion is that it should not be difficult to find a common solution at the Brussels summit."

Asked to answer in one word how Italy would act if a vote were taken on the West German position at the meeting, he replied: "You're raising an hypothesis that probably won't occur."

Mr. De Mita discussed the dispute last Friday in London with Prime Minister Margaret Thatcher, who in turn met over the weekend with Mr. Kohl. Further talks on the subject were held Tuesday in Paris between the West German foreign minister, Hans-Dietrich Genscher, and the French foreign minister, Roland Dumas. The Dutch prime minister, Ruud Lubbers, is due in Bonn on Wednesday.

Mr. Kohl noted Tuesday that no country had demonstrated a greater commitment to NATO defense than West Germany, which has more than a million of its own and Allied troops on its territory. But, he added, an opportunity for further disarmament now existed.

"We can have no illusions, we have to be realistic," he said, "but the world is changing, including the Soviet Union. The spirit of freedom, the rights of man are achieving victories. We must follow these developments critically but also with sympathy. We must follow them closely."

Ex-U.S. Officials Agree With Bonn on Missiles

By Michael R. Gordon
New York Times Service

WASHINGTON — A bipartisan group of former government officials, endorsing a policy rejected by the Bush administration, has said the United States should agree to open talks with the Russians on reducing short-range nuclear weapons in Europe.

The group, which includes senior officials from the Nixon, Carter and Reagan administrations, issued the recommendation in a report on arms-control policy that urged the Bush administration to respond to the arms-control initiatives of Mikhail S. Gorbachev, the Soviet leader.

West Germany has called for speedy U.S.-Soviet talks on reducing short-range nuclear missiles and artillery. But the Bush administration has rejected such talks any time soon, contending that they would foster public pressure to eliminate such ground-based weapons and represent a move toward the "denuclearization" of Europe.

The bipartisan report, issued Monday, was published by the Committee on National Security, a group advocating arms control.

It also offered recommendations on the strategic arms talks, the conventional arms negotiations and other North Atlantic Treaty Organization issues.

The former officials who prepared the study included Lawrence J. Korb, an assistant defense secretary in the Reagan administration; William E. Colby, the head of the Central Intelligence Agency in the Nixon administration; Paul C. Warnke, head of the Arms Control and Disarmament Agency in the Carter administration, and Bob Edgar, a former Democratic member of Congress from Pennsylvania who is now director of the committee.

The committee asserted that talks on short-range nuclear weapons would be useful.

It said these weapons, with ranges of less than 300 miles (500 kilometers), were "very vulnerable to 'use them or lose them' thinking, and their primary, perhaps only, purpose is to blunt a short-warning, offensive Soviet attack."

It added, "Wiser strategic thinking, the intra-NATO political benefits of a reduction and the fact that the very justification of these weapons is disappearing all point to an opportunity for removing a substantial number of these systems."

James Leonard, a former assistant director of the arms-control agency and an author of the report, said the Bush administration was unduly concerned that talks on short-range nuclear arms would necessarily result in an agreement to eliminate the weapons.

Mr. Warnke said talks to reduce conventional arms in Europe were more important than negotiations over tactical nuclear weapons.

In other recommendations, the report said the West should agree to the Soviet demand to limit ground-based aircraft as part of an agreement to reduce conventional arms in Europe.

Regarding the strategic arms talks, it said the administration should agree to adhere to the traditional, narrow interpretation of the 1972 Anti-Ballistic Missile Treaty, which sharply restricts the testing and deployment of anti-missile systems.

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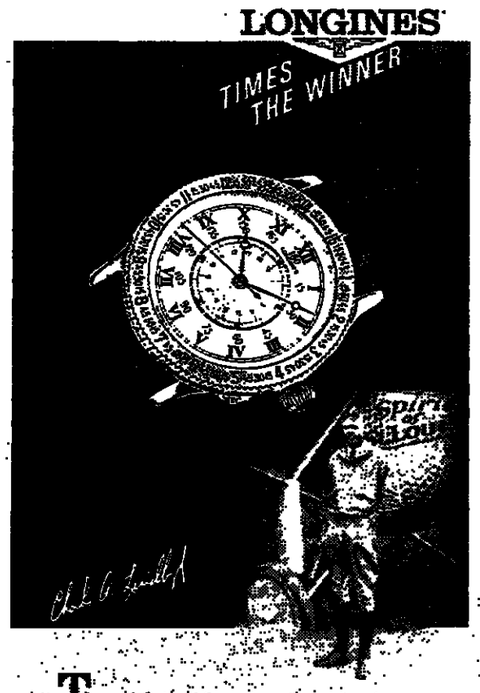

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Colombia Cocaine Finds a Door in Spain

By Alan Riding
New York Times Service

MADRID — Using Spain as the main port of entry to a lucrative new market, powerful Colombian drug cartels have set up a highly proficient trafficking network that is feeding the rising demand for cocaine in Western Europe.

The Colombian bosses, who have long dominated the cocaine trade in the United States and Latin America, have monopolized wholesale cocaine distribution throughout Europe in addition to developing smuggling routes that supply the area with over 50 tons of the drug each year.

A foreign narcotics expert said that "the Colombians saw a market waiting to be tapped," recalling their decision to make Europe a target about five years ago. "Overproduction was saturating the American market and forcing down the price of cocaine, so it made good business sense to move in here."

The Colombian operators established themselves so rapidly in Europe since then that while many governments are more alarmed by the growing numbers of deaths associated with heroin, narcotics experts said cocaine could pose the biggest drug challenge to the region in the 1990s.

"Europe is where the United States was eight or 10 years ago in terms of cocaine," said Miguel Solans Soteras, head of Spain's National Drug Program. "It's still the drug of yuppies, of successful artists and sportsmen. The worst lies ahead."

Cocaine can be easily obtained in major cities and in the popular tourist resorts that ring the Mediterranean. "It's quite normal to see people sniffing at parties or in discos," said a woman in Madrid who often uses the drug. "Cocaine has now replaced hashish as the fad."

The perception that cocaine is not dangerous is also widespread. Since crack, the cheaper and more addictive form of the drug known, has not yet arrived in Europe, the region has so far been spared the overdose deaths and urban violence spawned by cocaine in the United States.

But the narcotics experts said that although cocaine still fetched at least four times more in Europe than in the United States, Colombian traffickers were pumping so much of it into Europe — some is even coming via the United States — that its price was beginning to drop.

"The wholesale price has fallen from $50,000 to $57,000 per kilo two years ago to between $25,000 and $30,000 today," a foreign expert said. "When it's down to $8,000 to $13,000 in a year or two, when it's that cheap, it's worth turning into crack."

But for the moment, even though demand for cocaine is booming while consumption of heroin has stabilized in many countries, the priority for most European governments is still to combat heroin traffickers and treat addicts.

"With heroin, addiction is quick," Mr. Solans said. "With cocaine, you get a 'clinical silence' of two or three years of consumption without apparent addiction. That's where Europe is now, but we're already beginning to see emergency hospital cases from cocaine."

Alarm bells started to ring in Spain first because seizures of cocaine began to rise sharply and because it became clear that traffickers linked to the powerful Medellín and Cali cartels in Colombia had chosen this country as the strategic beachhead of their European offensive.

"Colombians speak the language, they know the culture, there are historical ties with Spain, many had family here," a foreign narcotics expert said. "They could move around without being noticed."

The narcotics experts said that although a 1-to-10 ratio was often used, seizures provided only a rough guide to trafficking levels.

They said the U.S. experience suggested that mounting seizures usually reflected an increased flow of cocaine rather than significantly improved interdiction. "The fact is that Europe is still wide open," an expert said.

In addition, once internal borders within the 12-nation European Community are eliminated as part of plans to create a single integrated market after 1992, the distribution of all drugs within Europe will be greatly eased. "If it's easy now, it will be easier then," a Spanish police official said.

In 1984, the leaders of the Medellín and Cali cartels were arrested in Spain.

The narcotics experts in Spain said the network involved storage and distribution of cocaine in addition to lawyers, who mobilize quickly in defense of arrested traffickers, and banks that make possible the laundering of so-called narco-dollars. Significant amounts of money are being channeled into real estate along the Costa del Sol in southeastern Spain, the experts said.

Nations Agree to Bolster Ozone Protocol

By Craig R. Whitney
New York Times Service

HELSINKI — Amid mounting global concern that artificial chemicals are destroying the atmosphere's ozone layer, the parties to a treaty requiring production of some harmful substances to be cut in half by 1998 agreed Tuesday that the protocol should be strengthened to ban the chemicals by the end of the century.

The United States and the European Community independently decided at the beginning of March to eliminate production and use of chlorofluorocarbons, the most harmful category of chemicals covered by the 1987 Montreal Protocol, by the end of the century.

They joined in Tuesday's declaration by all 36 countries that have ratified it. Delegations from other countries that have not yet done so, including India and China, are also participating.

Effectively, the signatories have acknowledged that the protocol, which went into force only four months ago, is out of date.

Politicians from industrialized and developing countries reached this position after hearing mounting scientific evidence about the extent and irreversibility of the damage that chlorofluorocarbons and other chemicals not covered by the ban are doing to the ozone layer in the upper atmosphere.

Ozone at that level keeps harmful solar radiation from reaching animals and plants on Earth.

"In September 1987, by the skin of its teeth, the Montreal Protocol was an acceptable document," said Mostafa K. Tolba, executive director of the United Nations Environment Program, which oversees the accord. "In light of everything that has happened since, and the projection of what will happen, its provisions are now unacceptable."

At the end of the day, the countries in attendance adopted by consensus a declaration that agrees "to phase out the production and the consumption of chlorofluorocarbons controlled by the Montreal Protocol as soon as possible but not later than the year 2000," and to tighten the timetable agreed upon in the protocol.

The United States pressed for a commitment to phase out production and use of halon gases, which are used as fire-extinguishing agents, in conformity with a ban announced by President George Bush in March, according to Eileen Claussen, deputy assistant administrator of the U.S. Environmental Protection Agency. But the declaration Tuesday only pledges the participants to phase them out "as soon as feasible."

Chlorofluorocarbons are widely used as coolants in refrigerators and air conditioners, as solvents in the manufacture of electronic components like silicon chips, and as foaming agents to create plastic insulation material.

In Europe, though not any longer in the United States, they are still used as aerosol propellants. But as politicians wake up to increasingly restive public opinion, companies are scrambling to replace them with substitutes like butane and compressed air.

There was only a fleeting reference in the declaration to the contribution that ozone-depleting substances make to global warming, known as the "greenhouse effect," which is becoming a preoccupation of European leaders.

The parties to the Montreal Protocol will next meet to amend its terms in the spring or summer of 1990, and participants said that by then there could be agreement for an even tighter timetable for eliminating chlorofluorocarbons.

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JUNE 7 AND 8, 1989 MOSCOW

The SOVIET UNION in the 1990's

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The International Herald Tribune, The U.S.S.R. Chamber of Commerce and Industry and the Ekonomicheskaya Gazeta, the leading Soviet economic weekly, are cosponsoring a two day conference, "The Soviet Union in the 1990's: Global Opportunities for Economic Cooperation," designed to provide a major insight into the outlook for the Soviet Union over the next decade. An outstanding group of political, financial and business leaders and academics from the Soviet Union and other countries will address the meeting. A program of cultural events for delegates, guests and sponsors is also being arranged. As capacity is limited, senior executives interested in attending the conference should complete the registration form below and mail without delay.

JUNE 7, 1989

Welcoming Remarks
Nikolai Ryzhkov, the Prime Minister, will be making a special appearance/address at some point during the two days.
THE OUTLOOK FOR FOREIGN ECONOMIC RELATIONS
Vladimir Kamentsev, Deputy Prime Minister and Chairman, State Foreign Economic Commission, USSR
THE CHALLENGES OF PERESTROIKA
Keynote Presentation
Boris Gostev, Finance Minister, USSR
Panel Presentations and Discussion
Prof. Leonid Abalkin, Director of the Institute of Economics of the Academy of Science of the USSR
Prof. Ed Hewett, Senior Fellow, The Brookings Institution, Washington D.C.
Prof. Eugeni Primakov, Director of the Institute of Economy and International Relations of the Academy of Science of the USSR
Lunch
A NEW ERA OF DOING BUSINESS WITH THE SOVIET UNION
Dr. Armand Hammer, Chairman, Occidental Petroleum Corporation
CHALLENGES AND ISSUES FOR EUROPE
Helmut Schmidt, former Chancellor, West Germany
CHALLENGES AND ISSUES FOR ASIA AND THE PACIFIC
A Political Perspective
Toyoo Gyohten, Vice Minister of Finance for International Affairs, Japan
A Corporate Perspective
Woo-Choong Kim, Chairman, Daewoo Corporation, Seoul
CHALLENGES AND ISSUES FOR THE UNITED STATES
Speaker to be announced.
Bolshoi Performance

JUNE 8, 1989

THE EUROPEAN COMMUNITY AND EAST-WEST COOPERATION
Frans Andriessen, Vice President, Commission of the European Communities
THE OUTLOOK FOR CONVERTABILITY
Ottokarl F. Fürsterwalder, Member of the Board, Creditanstalt Bankverein, Vienna
J.S. Moskovsky, Chairman, Bank for Foreign Economic Affairs, Moscow
EMERGING PATTERNS OF EAST-WEST TRADE
Heinz Schimmelbusch, Chairman of the Board, Metallgesellschaft, Frankfurt
HIGH TECHNOLOGY: CHALLENGES AND OPPORTUNITIES
Eberhard von Koerber, Chairman, Asea Brown Boveri Ltd., Mannheim
V. Ezhkov, Deputy Chairman, USSR State Committee for Science and Technology
Lunch
BUSINESS COOPERATION: OBSTACLES, OPPORTUNITIES AND INCENTIVES FOR MULTINATIONALS WORLDWIDE
Free Economy Zones
I.D. Ivanov, Vice Chairman, Soviet State Foreign Economic Commission, Moscow
New Business Opportunities: Strategies for the 1990's
Raul Gardini, Chairman, Ferruzi Montedison Group
Presentations and Discussion
James Giffen, President and Chairman, Mercator Corporation, President American Trade Consortium, New York
Richard M. Norton, Vice President, Eastern European Region, Pepsi Cola International, Vienna
Soviet Speaker to be announced
Reception hosted by the USSR Chamber of Commerce and Industry

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ARTS / LEISURE

Dancer Mark Morris Outrages Brussels

The Washington Post

Mark Morris

By Paul L. Montgomery

New York Times Service

BRUSSELS — The American choreographer Mark Morris is ending his first season in Brussels with the headline "Mark Morris Go Home" still echoing from the front page of the city's leading newspaper.

Morris arrived last fall to ecstatic reviews as the successor to Maurice Béjart, the French dancer and choreographer who had ruled dance in Belgium for 27 years.

By virtue of some unkind words about Béjart, a dance that ended with everyone on stage flamboyantly and completely naked, and questions about what Morris was smoking in his cigarettes, the season ended with virtually the entire Belgian press lined up against the 32-year-old American.

Morris, who has been called the most important choreographer of the 1980s by critics like Arlene Croce of The New Yorker and Alastair Macaulay of The Financial Times, is unbowed.

"Isn't it great!" he said of the mingled boos and cheers after his "Mythologies" trilogy closed.

Morris is the dance director at the Monnaie Théâtre, which is headed by Gérard Mortier.

Mortier said that, of the theater's $25.6-million annual budget for opera, dance and concerts, about $2 million went for Morris's company.

More than three-quarters of the theater budget comes from government subsidies, with the rest made up by sponsors, admissions and renting scenery.

Morris told the assembled Belgian arts press that he found the latest reaction to his work "slightly xenophobic" after the early raves.

He said he believed that artists should be free to put on work, and that artists should be free to criticize it.

"My personal truth is perhaps not popular with journalists, but it's better than making up lies so I can be popular," Morris told the journalists. "I'm a choreographer, you see, not a journalist. My work is what I have to say."

Morris has done premieres of "L'Allegro, Il Penseroso ed Il Moderato" to music by Handel and "Dido and Aeneas" to music by Purcell as well as two compilations of previous work.

The choreographer said he had purposely led up to his most radical work, "Mythologies," with milder precedents.

Morris has a three-year contract with the Monnaie and is planning his next season.

He is to give benefit performances this month at the Dance Theatre Workshop in New York City and a week of "Dido and Aeneas" in Boston.

His 24-dancer company goes on to Montpellier, France; Spoleto, Italy, and Barcelona and Seville this summer and is to perform a full program in Brussels in the 1989-90 season.

Morris said he found the controversy over his dance thrilling. "What I try to do is clarify," he added. "It's just a show after all. It has a right to exist."

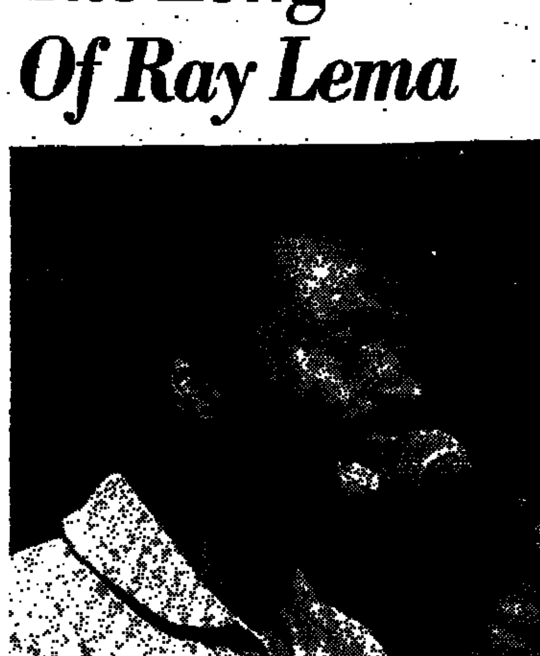
The reasons for the sudden turn against his work in Brussels are mysterious. Béjart, reportedly wounded by Morris's dismissive comments about his work, had the Lausanne Ballet Company, which he heads, subsidize a trip by Belgian critics to Switzerland to see his new ballets.

The two choreographers are poles apart: Morris's company dances barefoot in minimal costumes, Béjart's is on pointe in elaborate dress.

The largely staid Brussels dance audience is unused to Morris.

Morris thinks there is also a problem with his open homosexuality. "Here it's O.K. to be homosexual if you wear a suit and have a firm handshake and don't give any trouble," he said. "I'm not like that."

The Long 'Month' Of Ray Lema



Christian Rose

Lema left Zaire and embarked on a 10-year odyssey.

By Mike Zwerin

International Herald Tribune

LONDON — It is time to stop talking about African music like a science. No more equations are necessary. We have passed the explanation point. Investigations into historical and cultural perspective are no longer required. At this point analysis can only distract from what is going on with such mounting sound and fury. In other words, who needs to hear about how jazz went up the Mississippi to Chicago one more time?

Ray Lema is tired of being considered a scientist. He would rather play music than talk about it. He talks well but he is always being asked about past history and future implications. You can see how weary he is of talk when he picks up his guitar to illustrate instead of stating the answers.

Lema left his native Zaire 10 years ago for a month and he's been "pulling on that month" ever since. So many of the best Zairian musicians are in Paris that he has heard informed rumors about a law being considered there to limit musicians' right to travel. One reason so many of them leave Kinshasa is to find Lema in Paris. He is sort of the Nadia Boulanger of African music.

But there's been a price. Though he is one of the most original and influential Zairian musicians working today, his name is all but unknown in his native country, which is generally considered to have modern Africa's most influential modern musical culture. Zairian music, says Lema, has influenced the entire continent. He compares its impact to Anglo-American rock. But there he goes sounding like a scientist again.

There are those in Zaire who hold that Lema is beginning to sound too "whitish," as he puts it. "African fans," he says, "are disappointed when African stars cross a certain vaguely defined line between cultures." He has been spending a lot of time trying to find out where that line is. He is also looking for the line between city and country, and between tribal cultures. Lema is a tightrope walker. He describes his latest album, "Nangadeef" (Island), as a "postcard from Zaire." It means "Hello." One track uses words from a song of one tribe and the type of harmony used by another. The two tribes are traditional enemies, but the words and the harmonies fit and Lema feels he discovered something about lines with that one.

He has also been called an "avant-garde African," which no longer amuses him either. He was billed that way in 1979 when the Rockefeller Foundation invited him to the United States to demonstrate African culture. Although he was director of the Ballet National du Zaire, the American press kept referring to it as the Ballet of the Congo, which is another country and another system. Americans needed a lot of explanation at that point. Lema says: "They did not understand the complexity of the rhythm. In African music you hear beats that say 'get off my toe,' the keyboard is in one place, the bass is in another and the drummer is telling you to go find a place of your own."

After the Rockefeller tour, Lema sent his musicians home while he "totally freaked out" in New York. He's been a fighter all his life but he needs a reason to fight. He cannot understand gratuitous violence: "I read in the paper about a father who left a gun under the pillow and his little boy picked it up and shot his mother. Man, that's enough to make an African sick."

He moved to Washington, where there was work for an avant-garde African. He played percussion in the studios and worked the folk circuit. But with his own music, he found that "the smallest American thinks he's the biggest guy in the world. I just couldn't get American musicians to give me what I wanted. The only thing they can do is be American. It's incredible. I'd ask for this harmony or that rhythm and I'd get funk or jazz back."

He stayed in Washington to learn advanced studio technology. There are no 24-track consoles in Kinshasa, where everything is as loud as possible on two tracks. When asked if he learned it, he replied with a quiet intensity that seemed to understate the amount of time and effort it had taken: "Yes," he said. "I learned it."

Moving to Paris, he wrote the music for the successful 1986 French film "Black Mic Mac." He participated in "Rythmatist," the solo album by former Police drummer Stewart Copeland. He has become what he calls a "catalyzer," a role that suits him, though there are still those who call him "whitish." This does not particularly bother him, even when they are white people: "As soon as music is out there, it belongs to everyone. So you have the right to feel that I am not rootsy enough. At the same time, it's frustrating for me because I'm still trying to find that line which defines music at its own level."

A Chilling Staging Of Life in Ghettos

By Sheridan Morley

International Herald Tribune

LONDON — In a very strong week for London drama, the National Theatre's "Ghetto" is an epic Nicholas Hytner production on the Olivier stage of Joshua Sobol's heartbreaking play about life among Lithuanian Jews on their way to the death camps in 1943. For two years, under Nazi guard, they performed for their captors, finding in comedy and song ways of speaking the unspeakable and facing the inevitable.

THE LONDON STAGE

Sobol's script raises many other issues apart from the possibilities of escaping from life into theater. It asks about collaborators like Gens (John Woodvine), the chief of Jewish police who did deals with the Nazis over the deaths of his own people so that others might have a chance of survival, and about the right of any of us who were not there to judge those who escaped or those who died, or even those who made a profit within the eccentric economics of the community.

This is an evening of pure, chilling theater in which not only Woodvine as the anguished ghetto leader but Alex Jennings as his silkily sadistic Nazi overlord and Maria Friedman as the songbird of the community give hauntingly memorable performances against Bob Crowley's forbidding scenic reminders of life under an inhuman occupation.

Part of a ghetto trilogy originally seen in Sobol's native Israel, this London premiere comes after widely acclaimed productions in a dozen cities from Berlin to Los Angeles; but it is hard to believe that it has ever been given a stronger or more directly challenging staging.

□

Iris Murdoch is back in London after 20 years with "The Black Prince," her own dramatization of her novel (at the Aldwych).

On one level the story of a peculiarly unfortunate tax inspector (Ian McDiarmid, in what will prove one of the award-winning performances of the year) who falls in love with a teen-age girl and finishes up in prison for a murder he never committed, Murdoch's play is in fact a literary conundrum based on reflections of "Hamlet" (the other Black Prince of the title) and a sardonic mix of death and deceit.

Around the tax man are assembled a doomed but best-selling novelist (Simon Williams), a suicidal sister (Norma West), a doctor brother (John Fortune) and a ghastly ex-wife (Deborah Norton), all of whom have their own agendas for life or death and all of whom impose upon the central figure until a monastic prison cell becomes his only retreat from debates on the nature of art and truth and life itself.

A chain of moral failures leads to mayhem, marriage and murder in roughly that order, but "The Black Prince" is also about redemption through love and art: the discovery, says Murdoch, of what one has always known.

As in the best of Simon Gray and Tom Stoppard, there is a constantly shifting balance between the life of the mind and the activities of those onstage, and as in all the best theater the great laughs are also the most shocking in their utter truth. "The Black Prince" is likely, alongside "M. Butterfly," to become the snob hit of the season.

□

At the Cambridge, **"Sherlock Holmes: the Musical,"** although new to the stage, has the curious look of a show that has been locked in a time vault for 20 or 30 years. Relentlessly cheerful cockney singers and jovial dancing priests lead us into a world I had thought demolished by Stephen Sondheim and Andrew Lloyd Webber and the coming of the thoughtful or innovative song-and-dance evening.

But here it all still is, preserved in all of its awful tourist-coach-party predictability: from a spectacular start up on the Reichenbach Falls, the musical drops straight into a turgid knee-jerking singalong with lyrics that start "Without kings there can be no crowns" and then go on unflinchingly to "Without ups there can be no downs," except that the latter are rather more in evidence that the former.

The author, composer and lyricist is Leslie Bricusse, whose music for the words of Anthony Newley a couple of decades back gave us "Roar of the Greasepaint" and "Stop the World." But he now badly needs the help of a co-writer or three, and the best of his songs ("London Is London") has already been used in at least one movie musical. His plot, though not a lot worse than that of the non-musical "The Secret of Sherlock Holmes," currently at Wyndhams, is no better either. We get the usual odd-couple Holmes and Watson, with Ron Moody looking craggy as the detective and Derek Waring looking inane as the doctor, while only Liz Robertson as Moriarty's murderous daughter manages to emerge, from showstoppers designed to stop a show that has never really started, with anything like dignity or distinction.

Kabuki Star a Hit In Wajda Version Of Dostoyevski

Reuters

TOKYO — Thousands are flocking to a tiny Tokyo theater to see a Kabuki actor portray both a man and a woman in a play directed by the Polish filmmaker Andrzej Wajda.

Tamasaburo Bando, a famous *onnagata* — a male actor who plays women in the traditional all-male Kabuki theater — portrays a mysterious beauty and her aristocrat lover in "Nastasya," based on Fyodor Dostoyevski's novel "The Idiot."

Wajda, creator of films such as "Ashes and Diamonds" and "Danton," came up with the idea nine years ago when he saw the actor performing in Kyoto.

"I know of no other actor in the world who could have given me the chance to create male and female roles on stage without any change of makeup or costume," said Wajda at the play's recent opening at the Benisan Pit theater. "He is more a real woman on stage than a real woman can be. He creates a woman, he does not imitate."

Tamasaburo switches back and forth with ease between the roles of the tragic heroine Nastasya and Prince Myshkin, her epileptic lover, without leaving the stage or changing costume. The only other actor in the piece, Bancho Tsuji, plays the role of Nastasya's second lover, Ragozhin.

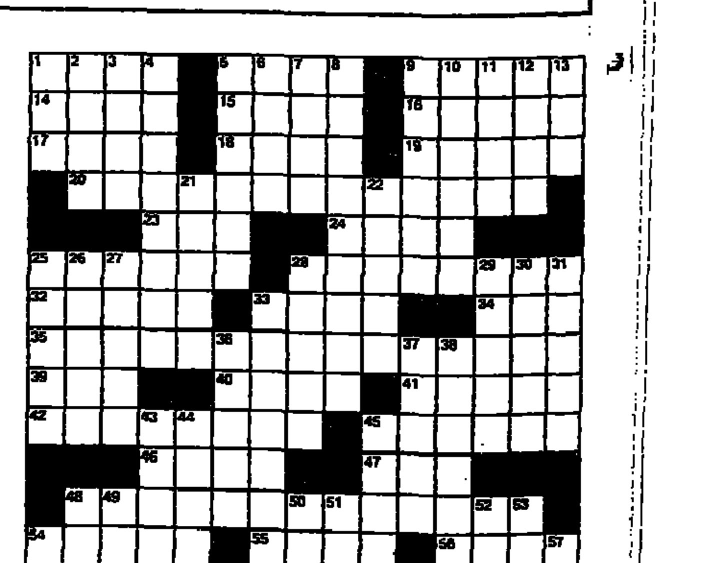
"It is easier to play a character that is much different from myself, such as a woman," said 38-year-old Tamasaburo. "I can be more daring in expression. But I have now developed enough confidence to play male characters."

ACROSS

1 NW Italian wine center
5 Symbol of authority
9 John Drew was one
14 Midday
15 Musical Fitzgerald
16 Linger
17 Remove one's hat
18 Rise above the ordinary
19 Hackneyed
20 Achieves success
23 "Gassy" beginning
24 Sharpen
25 Gives a start to
28 Inspector Clouseau, frequently
32 Sat for one's portrait
33 Descended
34 By way of
35 Achieves success
39 Adherent: Suffix
40 Bell sound
41 Zestful
42 Boring
45 Persiflage
46 Antitoxins
47 Lend a hand
48 Achieves success
54 He hit 61 homers in '61
55 Corn Belt state
56 Dudley Do-Right's girl
58 Soul
59 Peck film, with "The", 1976
60 Festive occasion
61 Emulate Andrew Carnegie
62 Clodhopper's cousin
63 Frankfurt's river

DOWN

1 Moreover
2 What a chimneysweep sweeps
3 Soybeans product
4 Describing invisible rays
5 Letter opener
6 Felipe, Jesus or Matty
7 Applaud
8 Alien, to a Martian
9 Bring into harmony
10 Israel's Mount ——
13 "Comin' Thro' the ——"
21 Requires
22 Way to go
25 Bowler's bane
26 Raccoon's relative
27 Lou Grant portrayer
28 "The Boys From Brazil" character
29 Happening
30 —— Perilous (Round Table seat)
31 Bacchus attendant
38 Spanish dance
43 Igloo inhabitant
44 "Two for the ——," Gibson play
45 —— baggage (completely)
48 Director Delbert ——
49 Jejune
50 Type of plate or rule
51 Water pitcher
52 The Grateful —— (rock group)
53 Model Macpherson
[D]ogpatch's [D]aisy ——
Malayan gibbon



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EMMA LEIS WATER
SEAN CHOL
TAT MACAO ETA
ALULAR SARDONIC
BERATED PRUDENT
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(d) Baerbond	SF	963.00*
(d) Conbar	SF	1873.00*
(d) Equibaer America	$	1564.00*
(d) Equibaer Europe	SF	1559.00*
(d) Equibaer Pacific	SF	1756.00*
(d) Stockbar	SF	2163.00*
(d) SFR-BAER	SF	973.00*
(d) Swissbar	SF	2408.00*
BAII MULTICURRENCY		
(r) Multicurrency US$	$	1,265.65
(r) Multicurrency Ecu	ECU	1,140.94
(r) Multicurrency Yen	Y	244,951.00
(r) Multicurrency FFR	FF	11,103.32
BNP INTERFUNDS		
(w) Interbond Fund	$	183.26
(w) Intercurrency US$	$	10.57
(w) Intercurrency DM	DM	30.12
(w) Intercurrency Sterling	£	10.32
(w) Intercurrency Managed	$	10.57
(w) Interequity French Offer	$	13.97
(w) Interequity Pacific Offer	$	17.95
(w) Interequity N. Amer. Offer.	$	12.34
(w) Interequity European Class	$	9.19
(w) Interequity Australia Cls.	$	9.64
(w) Interlux Capital Belgian	LF	56,072.00
(w) Interlux Cap.Fr Securite	FF	11,203.93
(w) Interlux Capital FFr	FF	13,095.40
(w) Interlux Cap.France Cap.	FF	10,870.79
(w) Interlux Cap. LUF/BEF	LF	L67,776.00
(w) Interlux Capital ECU	ECU	1,246.08
BANQUE BELGE ASSET MGMT FUND		
Share Distributor Guernesey 0481 26614		
(w) Int'l Equity Fund (Sicav)	$	11.28
(w) Int'l Bond Fund (Sicav)	$	10.41
BANQUE INDOSUEZ		
(w) Asian Growth Fund	$	29.81
(w) Asian Income Fund	$	8.90*
(w) Diverbond	SF	84.95
(w) FIF-Internat. Div.A	$	17.55
(w) FIF-Internat. Div.B	$	18.25
(w) FIF Internat.America	$	15.04
(w) FIF Internat.Pacific	$	46.99
(w) FIF Internat.Europe	$	26.62
(w) FIF Internat.Japan	Y	1,151.00
(w) FIF Int. Nat. Res. A	$	11.10
(w) FIF Int. Nat. Res. B	$	11.10
(w) France International	FF	98.64
(w) France Blue chips No 1	FF	110,917.04
(w) Indosuez Multibonds Div.A	$	130.87
(w) Indosuez Multibonds Div.B	$	274.48
(w) Indosuez Multibonds US$	$	106.23
(w) Indosuez Multibonds YEN	$	9,931.00
(w) Indosuez Multibonds DM	$	102.55
(w) IPNA-3	$	1120.00
(w) Malacca Fund	$	10.78
(w) The Siam Fund	$	15.02
(w) Pacific Gold Fund	$	11.99
BANQUE PRIVEE E. DE ROTHSCHILD		
(b) Cursitor BP Fixed Inc.Fund	DM	106.75
(b) Cursitor BP General Fund	DM	131.72
(w) Daiwa Lcf Equity	$	1000.49
(w) Daiwa Lcf Int. Bond	$	1073.31
(w) Eagle Fund	LF	10123.00
(w) Ecu D'Or	ECU	96.14
(b) Governm. Sec. Fund*	$	73.78
(w) Leicom	$	2475.99
(b) Opportunities Fund	$	806.30
(b) Priray fund	DM	48.40
(b) Prifirst	$	506.16
(b) Pri-Tech	$	1182.68
(w) Rente Plus	BF	55901.00
(t) Select. Horizon Dev.	FF	523009.99
(t) Select. Horizon FF	FF	55520.22
(b) Source Sicav	$	11.13
(b) Star Conv.Fund FL	FL	9916.00
(b) Star Conv.Fund USD	$	98.25
BANQUE SCANDINAVE EN SUISSE-GENEVA		
(w) BSS Bond Fund	SF	77.75*
(w) BSS Intelsec.	SF	1729.68
(w) BSS Int'l Bond	$	1.215
(w) BSS Int'l Equity	$	2.070
B.F.A.C.M.		
(w) Ecu Multiplacement	ECU	1157.53
BROADGATE INTERNATIONAL FUND		
(d) $ Money Market	$	12.12
(d) Non-$ Money Market	DM	29.86
(d) $ Bond	$	12.40
(d) Non-$ Bond	DM	31.17
(w) Global Equity	$	16.32
(w) Global Bond	$	12.84
(w) Global Bond & Equity	$	13.64
(w) Prec. Mets/Min. Secs	$	6.42
B.W MANAGED ASSETS CY.SICAV		
(t) Global Bond Fund	ECU	10.75
(t) European Securities Fund	ECU	11.91
(t) French Securities Fund	FF	117.13
(t) North American Secu.Fund	$	10.28
(t) Pacific Basin Secu. Fund	$	9.86
CAISSE CENTRALE DES BANQUES POP.		
(d) Fructilux-Obl.FSES	FF	5,546.99
(d) Fructilux-Obl.Euro	ECU	1,035.94
(w) Fructilux-Act.Fses	FF	6,894.05
(w) Fructilux-Act.Euro	ECU	1,167.18
(w) Fructilux-Tresorier	FF	5,567.45
CALLANDER		
(w) Callander Emer. Gr.	$	105.84
(w) Callander Fund-Asset	$	104.88
(w) Callander Fund-Span.	Ptas	10.501
CAPITAL INTERNATIONAL		
(w) Capital Int'l Fund	$	87.22*
(w) Capital Italia SA	$	33.79
CDC INTERNATIONAL		
(w) CFI Court Terme	FF	113606.47
(w) CFI Long Terme	FF	1126884.48
CIC GROUP		
(d) Obilcic Monetaire	FF	11097.18
(d) Obilcic Court Terme	FF	11408.01
CITICORP INVESTMENT BANK (Lux.)		
POB 1373 Luxembourg Tel. 477.95.71		
(d) Citicur USD Portofolios	$	1261.48
(d) Citinvest Ecu Income	ECU	1280.21
(d) Citinvest Manag. Growth	$	1145.06
(d) Citi.Mana.Growth Euro	ECU	1028.44
(d) Citinvest Profit Sharing	$	937.27
(d) Citinvest Selector	$	899.73
(d) Citinvest Guardian $	$	1037.97
(d) Citinvest Guardian Euro	ECU	1068.50
(d) Citiport N.A Equity	$	124.01
(d) Citiport Jap. Equity	Yen	10954.00
(d) Citiport UK Equity	£	115.20
(d) Citiport S.Asian Eq.	$	120.20
(d) Citiport Cont.Euro. Eq.	ECU	122.53
(d) Citiport N.A.S Bond	$	105.04
(d) Citiport Euro Bond	ECU	101.72
(d) Citiport AS.Pac.Bd.	YEN	10437.00
CITITRUST		
(w) US. $ Equities	$	203.55779
(w) US. $ Bonds	$	11.44219
(w) US. $ Money Market	$	12.08751
(w) Global Equities.	$	9.99000
(w) Global Money Market.	$	11.24000
(w) Global Bonds.	$	11.77000
CCF-GAMMA		
(w) CM Actibonds	$	36.75
(w) CM Global Growth	$	11.54
(w) CM North Amer Grth	$	9.09
(w) Elysees Court Terme	FF	57,080.93
(w) Elysees Long Terme	FF	53,599.35
(w) Elysees Monetaire	FF	57,957.01
(w) EMF D-Mark (A&B)	DM	1,003.99
(w) EMF Ecu (A & B)	ECU	1,009.91
(w) EMF US Dollar (A & B)	$	1,020.36
(w) EMF Yen (A & B)	YEN	100,118.00
(d) Europe Prestige Fund A	ECU	10.17
(d) Europe Prestige Fund B	ECU	10.67
(w) European Smlr Cos. Fd.A	ecu	12.92
(w) European Smlr Comp.Fd.B	ecu	12.92
CODEVALOR SICAV		
(w) C.Rendement Fr.Suisse	SF	1905.68
(w) C.Rendement US$	$	1419.09
(w) C.Croissance Dollar	$	1483.71
(w) C.Croissance Zone Sterling	£	952.60
COMPASS INTL HOLDINGS Ltd.		
POB 455, Jersey 0534 27267		
(w) Bond: Dollar Medium Term	$	10.48
(w) Bond: Ecu Multicurrency.	ECU	10.14
(w) Equity: United Kingdom	£	11.33
CREDIT SUISSE (ISSUE PRICES)		
(d) CSF Bonds	SF	81.00
(d) Bond Valor Swf	SF	102.25
(d) Bond Valor US-DOLLAR	$	118.19
(d) Bond Valor D-mark	DM	111.53
(d) Bond Valor Yen	Y	10,849.00
(d) Bond Valor £ Sterling	£	98.92
(d) Convert Valor Swf	SF	156.40
(d) Convert Valor US-DOLLR.	$	169.45
(d) CSF International	SF	136.50
(d) Actions Suisses	SF	570.00
(d) Europa-Valor	SF	221.50
(d) Energie-Valor	SF	158.00
(d) Canasec	SF	635.00
(d) Ussec	SF	737.00
(d) Pacific-Valor	SF	251.00
(d) CS Gold Valor	$	154.64
(d) CS Ecu Bond A	ECU	100.59
(d) CS Ecu Bond B	ECU	115.24
(d) CS Europa Bond 'A'	DM	249.81
(d) CS Europa Bond 'B'	DM	249.81
(d) CS Gulden Bond A	FL	99.45
(d) CS Gulden Bond B	FL	110.60
(d) CS Prime Bond 'A'	DM	97.33
(d) CS Prime Bond 'B'	DM	102.85
(d) CS Short-T. Bd DM A	DM	99.32
(d) CS Short-T. Bd DM B	DM	109.46
(d) CS Short-T. Bd $ A	$	97.61
(d) CS Short-T. Bd $ B	$	110.42
(d) CS Money Market Fund	$	1380.32
(d) CS Money Market Fund	DM	1208.01
(d) CS Money Market Fund	£	1438.57
(d) CS Money Market Fd Yen	Y	114,250.00
DIT INVESTMENT FFM		
+(d) Concentra	DM	37.63
+(d) Int'l Rentenfond	DM	77.16
DREXEL BURNHAM LAMBERT INC		
Winchester House, 77 London Wall		
LONDON EC2 (01 9209797)		
(w) Finsbury Group Ltd	$	169.40
(w) Winchester Capital	$	105.20
(w) Winchester Holdings	FF	140.14
(w) Winchester Holdings	£	14.61
(w) Winc.Holdings Ltd.E.B.S	ECU	1143.16
(w) Winc.Reserves.E.B.S	ECU	1097.34
(w) Winc.Reserv.MultiGvBd.	ECU	11.65
(w) Worldwide Securities	$	31.61
(w) Worldwide Special	$	733.20
(m) Winch Fut.Diversified	$	18.78
(m) Winch Fut.Orion Series	$	20.74
(m) Winchester Frontier	$	176.22
(m) Winchester Recovery Ltd	$	91.50
EBC TRUST CO.(JERSEY) LTD.		
1-3 Seale St.,St. Helier;0534-36331		
EBC AMRO TRADED CURRENCY FUND.		
@(d) Inc.: Bid. $ 13.52* Offer.	$	13.936*
@(d) Cap.: Bid. $ 19.28 Offer.	$	19.879
INTERNATIONAL INCOME FUND		
(d) Short Term 'A' (Accum)	$	1.1519
(d) Short Term 'A' (Distr)	$	0.7484
(d) Short Term 'B' (Accum)	$	1.4270
(d) Short Term 'B' (Distr)	$	1.0170
(w) Long Term	$	28.70*
ELDERS SECURITIES INC.		
W. Ratter, (212) 573-0440		
(d) EPF	$	309.05
(d) ESP	$	145.34
(d) EMR	$	101.24
ELDERS SWITZ.(838) 24 79 79		
(w) Elders Int Bid SF 105.00 Offer	SF	111.25
(w) Elders Aus Bid A$ 87.750 Offer	A$	93.00
EQUIFLEX LIMITED		
(w) Europe A	FL	10.84
(w) Global A	FL	11.72
(w) North America A	FL	10.09
(w) UK Equities	£	10.07
(w) UK Small Co.	£	10.30
EURO PACIFIC ADVISERS Ltd.		
(w) Comete	$	758.64
(w) Meteore	Y	116,620.00
(w) Pacific Horizon Invt. Fd	$	1885.49
F&C MGMT. LTD. INV. ADVISERS		
1, Laurence Pountney Hill, EC4. 01-623-4680		
(w) F&C Atlantic	$	18.24
(w) F&C European	$	35.33
(w) F&C Oriental	$	85.22
(w) F&C N. American M C Fd	$	9.05
(w) F&C Nordic Fund	$	11.59
FIDELITY INT'L INV. MGMT (LUX.) S.A.		
(d) New Europe Fund	$	10.17
(d) Fidelity Conv. Sec. Portf.	$	10.02
FIDELITY POB 670, Hamilton Bermuda		
(m) Fid. Amer. Val.II Com.	$	97.81
(m) Fid. Amr.Val.II Cum.Pref.	$	101.25
(m) Fid. Amer. Val.III Com.	$	51.27
(m) Fid. Amer.Val.III Cum Pref.	$	101.25
(d) Fidelity Amer. Assets	$	116.62*
(d) Fidelity Australia Fund	$	15.01
(d) Fidelity Dir. Svgs.Tr.	$	160.38
(d) Fidelity Pacific Fund	$	306.61
FIDELITY INT'L SERVICE (LUX.)		
(d) Balanced Portfolio-hedged	$	11.32
(d) Balanced Portfolio-unhedg	$	10.82
(d) Fidelity Discovery Fund	$	17.22
(d) Fidelity Far East Fund.	$	63.02
(d) Fidelity Frontier Fund	$	21.22*
(d) Fidelity Global Ind. Fd	$	12.72
(d) Fidelity Global Selct Fd	$	11.99
(d) Fidelity Int'l. Fund	$	13.32
(d) Fidelity Orient Fund	$	92.57
(d) Fidelity Spcl. Growth Fd.	$	32.93*
(d) Fidelity World Fund	$	68.29
FIDELITY PERFORM PORTFOLIOS LTD.		
(d) American Portfolio	$	0.96
(d) European Portfolio	$	1.46
(d) Japan Portfolio	$	1.41
(d) South East Asian Portfolio	$	0.93
(d) U.K. Portfolio	$	1.13
(d) Intl. Bond Portfolio.	$	0.95
(d) Global Convs. Portfolio	$	0.95
(d) Intl. Equity Income Pftl.	$	1.03
(d) Recovery Portfolio	$	1.07
(d) Sterling Liquidity Pftl.	£	10.47
(d) Dollar Liquidity Portfolio	$	10.30
(d) Hard Curr. Liquidity Pftl.	$	8.73
FOKUS BANK A.S. 472 428 555		
(w) Scanfonds Int'l growth fd	$	1.42
FORBES PO B887 GRAND CAYMAN		
London Agent 01-839-3013		
(w) Forbes High Inc. Gilt Fd	£	47.0
(w) Gold Income	$	4.07
(w) Gold Appreciation	$	4.06
GAIA CURRENCY HEDGE FUNDS		
(w) Gaia Hedge I	$	96.39
(w) Gaia Hedge II	$	132.77
GAM ANLAGEFONDS AG.		
POB 164, 8034 Zurich Tel.41-1-2516640		
(w) GAM (CH) America	SF	1160.00
(w) GAM (CH) Mondial	SF	1327.00
(w) GAM (CH) Pacific	SF	1535.00
GARTMORE FUND MANAGERS INT.		
45,La Motte Street, JERSEY 0534 27301		
CAPITAL STRATEGY FD. LTD.		
(d) Sterling Deposit	£	1.022
(d) US$ Deposit	$	1.015
(d) DM Deposit	DM	5.043
(d) Yen Deposit	Y	502.70
(d) Sw. Fr. Deposit	SF	5.039
(d) Austr.Dollar Dep. fd	A$	1.025
(d) French Franc Deposit fd	FF	10.15
(d) N. American	$	1.53
(d) Japan	Y	455.00
(d) Pacific Basin	Y	323.80
(d) International growth	$	2.96
(d) British	£	2.18
(d) Sterling Gilt	£	1.07
(d) International Bond	$	1.21
(d) Yen Convertible bond	Y	2081.00
(d) European Fund	DM	5.32
(d) E.C.U. Fund	ECU	0.97
(d) Australasian fund	£	0.30
(d) Canadian fund	Can$	0.87
(d) Emerging Markets Fund	£	1.12
(d) Global Resources Fund	$	0.74
GEFINOR FUNDS		
London:01-4994171, Geneva:41-22355530		
(w) East Investment Fund	$	1006.38
(w) Scottish World Fund	£	198.0517
(w) State St. American	$	289.19
GENERALE BANK		
(see also Interselex Group)		
(d) Rentinvest	$	26.96*
(d) Capital Rentinvest	$	116.65
(d) Rentinbel Distr.	LF	9,807.00*
(d) Rentinbel Cap.	LF	10,420.00
GLOBAL ASSET MANAGEMENT CORP.		
11 Athol St,Douglas,I. of Man.44-624-26037		
(w) Futurgam S.A.	$	159.26
(w) GAM Arbitrage Inc	$	233.06
(w) GAMerica Inc	$	234.92
(w) GAM Australia Inc.	$	134.97
(w) GAM Asean Inc	$	125.56*
(w) GAM Boston Inc	$	153.36
(w) GAM Ermitage	$	25.07
(w) GAM European Inc.	$	103.84
(w) GAM Franc-Val Inc.	SF	227.94
(w) GAM France Inc	FF	1335.86
(w) GAM Global Fund	$	113.44
(w) GAM High Yield Inc.	$	105.86
(w) GAM Hong Kong Inc.	$	207.70*
(w) GAM International Inc.	$	146.51
(w) GAM Japan Inc.	$	388.73
(w) GAM Money Mkts. Fund	$	103.46*
(w) GAM Money Mkts. Fund	£	104.39*
(w) GAM Money Mkts. Fund.	SF	101.61*
(w) GAM Money Mkts. Fund	DM	102.56*
(w) GAM Money Mkts. Fund	Y	10,109.00*
(w) GAM Pacific Basin Fund	$	112.57
(w) GAM Pacific Inc	$	436.70
(w) GAM Restr. Fd. Inc.	$	157.49*
(w) GAM Singapore/Malay Inc	$	163.86
(w) GAM Swiss Fr Spec Bond Fd	SF	99.63
(w) GAM Value Inc.	$	102.84
(w) GAM Worldwide Inc	$	412.46
(w) GAM Tyche S.A. Class A	$	167.21
(w) GAM U.S. Inc.	$	134.87
(w) GAM Whitethorn Fund Inc.	$	123.55
(w) GAM ut Inc.	$	221.07
(w) GSAM Composite Inc.	$	203.29*
(w) GSAM Int. Inc. U.S Ord.	$	110.26*
(w) GSAM Int. Inc.U.S Spe.	$	122.19*
(w) GSAM Interest Inc.	SF	99.01*
(w) GSAM Interest Inc.	£	102.17*
(w) GSAM Interest Inc.	DM	96.84*
(w) GSAM Interest Inc.	Y	11,032.00*
G.T. MANAGEMENT PLC		
(r) G.T. Applied Science	$	13.87
(d) G.T. ASEAN Fund	$	37.40
(d) G.T. Asia Fund	$	13.00*
(d) G.T. Australia Fund	$	28.22*
(d) G.T. Berry Japan Fund	$	35.05*
(w) G.T.Biotechn./Health Fund	$	8.56
(w) G.T. Bond Fund	$	16.20*
(w) G.T. Britain Fund		9.05
(d) G.T. Deutschland Fund	$	10.22
(d) G.T. Dollar Fund	$	18.54*
(d) G.T. Europe Fund	$	28.36
(w) G.T. Euro. Small Cos. Fund	$	28.12
(w) G.T.Global Small Cos.Fund	$	11.96
(d) G.T.Global Technology Fd	$	17.85*
(d) G.T. Hong Kong Fund	$	27.39*
(d) G.T. Honshu Pathfinder	$	9.61
(d) G.T. Investment Fund	$	11.02
(d) G.T. Japan Sml Co.Fd	$	11.07*
(w) G.T. Nat Res. Fd Gold Class	$	6.77
(w) G.T. Newly Ind. Countr. Fd	$	27.20
(w) G.T. Select Dollar Bd Pfl	$	8.86
(d) G.T. Select Int Bd Pfl.	£	9.74*
(d) G.T. Select Gilt Pfl.	£	8.80*
(r) G.T. Technology Fund	$	32.02
(d) G.T. U.K. Small Companies	£	10.88
(d) G.T. Univ.Growth Fund	$	10.49
(d) G.T. U.S. Small Companies	$	11.90
HILL SAMUEL INVEST. MGMT. INTL. S.A.		
Jersey, P.O. Box 63, Tel 0534 76029		
Berne, P.O. Box 2622, Tel 4131 224051		
(d) Crossbow (Far East)	SF	18.92
(d) CSF (Balanced)	SF	27.37
(d) European Equity Fund	DM	16.77
(d) Intnl. Bond Fund	$	12.82
(d) Int. Currency U.S.Manag'd	$	25.46
(d) ITF Fd (Technology)	$	19.41
(d) O'Seas Fd (N. AMERICA)	$	45.30
(d) Int. Currency U.S.	$	32.31
IAM, 2 Bd. Royal LUXEMBOURG		
(d) Iam Flagship Fund	ECU	90.42
(w) Iam Bonds Fund-France	FF	543.85
(w) Iam Bonds Fund-Deutschl	DM	211.42
(w) Iam Bonds Fund-Japan	Y	11,012.00
(w) Iam Bonds Fund-Switz.	FS	206.19
(w) Iam Bonds Fund-U.S.A	$	108.22
(w) Iam Bonds Fund-Europe	ECU	111.20
(w) Iam Bonds Fund-Netherl.	FL	212.72
INTERSELEX GROUP		
(d) Int.America Fund	$	15.21*
(d) Int.Belgo Fund	LF	3131.00
(d) Int.Europa Sicav	LF	6242.00
(d) Int.Pacific Fund	$	1330.66*
(d) Int.World Fund	$	94.65*
ISLAMIC MGMT FUND LTD	$	1052.96
CSFB Fund Mgmt Ltd (0481-713996)		
PB122 St. Peter Port,Guernsey		
JARDINE FLEMING, GPO Box 11448 Hg Kg		
(d) J.F Japan Trust	Y	15,303.00
(d) J.F Pacific Sec. Trust	$	29.34
(d) J.F Pacific Income Trust	$	91.82
(d) J.F Hong Kong Trust	$	73.18
(d) J.F European	$	9.97
(d) J.F International	$	13.68
(d) J.F Gib Convertibles Trust	$	10.92
LLOYDS BANK PLC, POB 438, Geneva 11		
Mrs. C. Berteletti,(22) 208611/ext. 2222.		
+(w) Lloyds Int'l Dollar	$	108.80
+(w) Lloyds Int'l Europe	SF	181.98
+(w) Lloyds Int'l Growth	SF	232.50
+(w) Lloyds Int'l Income	SF	287.50
+(w) Lloyds Int'l N. America	$	145.40
+(w) Lloyds Int'l Pacific	SF	259.80
+(w) Lloyds Int'l. Smaller Cos	$	16.86
MAN INTERNATIONAL FUTURES		
(m) Mint Limited - Ordinary	$	37.69
(m) Mint Limited - Income	$	13.99
(m) Mint Gtd Ltd - Spec Issue	$	17.97
(m) Mint Gtd Ltd - Series A	$	19.55
(m) Mint Gtd Ltd - Nov 1993	$	17.14
(m) Mint Gtd Ltd - Jan 1994	$	13.46
(m) Mint Gtd Ltd - Dec 1994	$	11.82
(m) Mint Gtd Ltd - Aug 1995	$	9.50
(m) Fbme Mint Gtd Plc	$	107.37
(m) Mint Sp Res Ltd (BNP)	$	93.39
(m) Newcastle Guaranteed Ltd	$	9.96
MAGNUM FUTURES FUND LTD.		
(m) Sterling Class	£	4.95
(m) U.S Dollar Class	$	9.83
MERRILL LYNCH		
(d) Dollar Assets Portfolio	$	1.00
(d) First Convertible Sec. Fd	$	11.41
(d) Iberia portfolio	$	10.76
(d) Multi-Curr. Bond Portfolio	$	13.26
(d) U.S.A Income Portfolio	$	8.92
(d) US Federal Securities	$	9.36
(d) World Nat Res Pfl. Share A	$	10.31
(d) World Nat Res Pfl. Share B	$	10.29
MIM BRITANNIA,POB 271, St. Helier, Jersey		
(d) Int.High Income	$	2.500*
(d) Dollar Man.Curr	$	14.69
(d) Dollar Man. Port	$	2.132*
(d) Sterling Man.Port	£	1.736*
(d) Pioneer Markets	£	2.733*
(d) U.K. Growth	£	1.069
(d) Amer. Inc. & Growth	$	1.356
(d) Gold & Prec. Metals	$	0.955
(d) Sterling Man. Curr.	£	17.05*
(d) Japan Dollar Perf. Fd	$	4.497
(d) Jersey Gilt	£	0.1862
(d) Okasan Global Strat	$	16.92
(d) Asia Super Growth Fund	$	12.39
NIMARBEN		
(w) Class A	$	132.13
NMB BANK,PO 1800,1000 BV Amsterdam.		
(w) The Brazil Fund	$	3.57
(w) NMB Dutch Fund	FL	37.90
OBLIFLEX LIMITED		
(w) Multicurrency	$	20.07
(w) Dollar Medium Term	$	15.20
(w) Dollar Long Term	$	14.42
(w) Japanese Yen	$	27.02
(w) Pound Sterling	$	15.07
(w) Deutsche Mark	DM	12.72
(w) Dutch Florin	FL	12.81
(w) Dutch Florin Multi.	FL	10.25
(w) Swiss Franc	SF	10.71
(w) Swiss Multicurrency	SF	12.17
(w) European Currency	ECU	13.73
(w) Convertibles	$	10.58
(w) Swiss Multi-dividend	SF	10.42
NOMURA INVEST BANKING (M.E) E.C.		
(d) Nomura Gulf Fund	$	10.00
PARIBAS-GROUP		
(d) Belux Fund	LF	10,783.00
(d) Cortexa International	$	121.09
(d) Ecusar	ECU	1,345.85
(d) Far East Growth Fund	$	157.50
(d) Luxor	$	8.73
(d) Pareurope Growth	$	20.29
(d) Parinter Fund	$	217.97
(d) Par US Treas. Bond 'Cl. B'	$	143.00
(d) Europhenix	FF	1,300.75
(d) Parinter Bond Fund	$	13.34
(d) Paribas-Rente 'A'	LF	1,273.00
(d) Paribas-Rente 'B'	LF	1,371.00
(d) Obli-Franc	LF	1,185.47
(w) Obli-DM 'A'	DM	1,218.08
(w) Obli-DM 'B'	DM	1,385.75
(w) Obligestion	SF	89.50
(w) Obli-Dollar 'A'	$	1,147.52
(w) Obli-Dollar 'B'	$	1,222.19
(w) Obli-Yen 'A'	Y	108,207.00
(w) Obli-Yen 'B'	Y	114,230.00
(w) Obli-Gulden 'A'	FL	1,047.34
(w) Obli-Gulden 'B'	FL	1,107.34
(w) Parsuisse	SF	1,433.75
(w) Parjapan	Y	3,494.00
PERMAL GROUP		
(m) Permal Updyke Ltd	$	253.62
(m) Drakkar Growth	$	1925.49
(m) Nascal Ltd	$	1158.43
(m) Select Equities Ltd	$	922.21
(m) Special Opportunities Ltd	$	1706.63
(m) Value N.V.	$	1956.46
PIERSON,HELDRING & PIERSON N.V.		
POB 243,1000 AE Amsterdam (20-211188)		
(w) Asia Pac. Growth Fd N.V.	$	37.73
(w) DP Amer. Growth Fd N.V.	$	23.81
(w) DP Energy Resources	$	37.38
(w) Europe Growth Fund N.V.	FL	38.26
(w) Japan Diversified Fund	$	57.11
(w) Leveraged Cap Hold	$	309.61
(w) Tokyo Pac. Hold. N.V.	$	274.09
PUTNAM		
(d) Emerging Hlth Sc. Trust	$	14.96
(w) Putnam Em. Info. Sc. Tr	$	12.63
(d) Putnam Int'l Fund	$	10.65
ROBECO GROUP		
POB 973, Rotterdam (10-4650717)		
(d) Robeco	FL	104.00
(d) Rolinco	FL	102.10
(d) Rorento	FL	61.60
(d) Rodamco	FL	163.90
ROTHSCHILD AST.MGT.		
(w) Tokyo Pac. Hold. (Sea)	$	193.23
ROYAL B. CANADA,POB 246,GUERNSEY		
+(w) RBC British Fund Ltd.	£	5.81*
+(w) RBC Canadian Fund Ltd	C$	14.14*
+(w) RBC European Fund	$	11.77
+(w) RBC Far East&Pacific Fd	$	37.59
+(w) RBC Int'l Capital Fd	$	52.18
+(w) RBC Int'l Bond Fund Ltd.	$	12.16
+(d) RBC Mon.Currency Fd	$	38.28
+(w) RBC North Amer. Fd	$	14.92
ROYAL TRUST ASSETMIX FUND		
Lux.Tel: (352)489061		
EQUITY FUNDS		
(d) Alpha UK	£	1.14
(d) Alpha US$	$	1.18
(d) Alpha Worldwide	SF	5.53
(d) Alpha Japanese	Y	1051.00
(d) Alpha Pacific Rim	$	1.11
(d) Alpha European	ECU	1.06
(d) Gold Share	$	0.96
BOND FUNDS		
(d) Sterling Pound	£	101.63
(d) US$ Bond	US$	100.14
(d) Deutschmark Bond	DM	50.40
(d) Alpha Worldwide	SF	51.09
RESERVE FUNDS		
(d) Sterling Reserve	£	10.52
(d) US$ Reserve	$	10.31
(d) Deutschmark Reserve	DM	10.17
SHEARSON LEHMAN HUTTON		
(d) Oporto Growth Fund	$	9.875
(d) Offshore Multiple Opps.	$	10.61
OFFSHORE PORTFOLIOS (OP)		
(d) OP Global balanced	$	10.53
(d) OP Precious Metals	$	8.79
(d) OP Global Bond	$	9.82
(d) OP US Share	$	10.67
(d) OP Global Equity	$	11.27
(d) OP Pacific Equity	$	11.58
(d) OP Euro Equity	$	11.43
(d) OP US Govt Securities	$	10.04
(d) OP Global Money Market	$	9.67
(d) OP US Money Market	$	10.00
INTERNATIONAL PORTOFOLIOS (IP)		
(d) IP Global Balanced	$	11.11
(d) IP Precious Metals	$	8.98
(d) IP Global Bond	$	10.25
(d) IP US Share	$	11.10
(d) IP Global Equity	$	11.61
(d) IP Pacific Equity	$	11.71
(d) IP Euro Equity	$	11.58
(d) IP US Govt-securities	$	10.56
OFFSHORE SHORT-TERM INVEST. (OSI)		
(d) OSI Deutsche Mark	$	8.79
(d) OSI Japanese Yen	$	9.08
(d) OSI Pound Sterling	$	9.04
(d) OSI US Dollar	$	10.00
(d) OSI Managed Currency	$	10.12
(d) OSI Canadian Dollar	$	10.53
SKANDIFOND		
SKANDINAVISKA ENSKILDA BANKEN		
(w) Equity Intl Acc	$	11.01
(w) Equity Intl Inc	$	10.30
(w) Equity Global	$	1.00
(w) Equity Far East	$	1.76
(w) Equity Gold	$	0.86
(w) Equity Japan	Y	115.00
(d) Equity Nordic	$	1.12
(d) Equity U.K.	£	1.05
(d) Equity Continental Europe	$	1.03
(d) Equity Mediterranean	$	1.04
(d) Equity North America	$	1.06
(w) Bond Intl Acc	$	7.75
(w) Bond Intl Inc	$	6.47
(w) High Income Acc	$	1.02
(w) High Income Inc	$	0.95
(d) DEM	DM	8.98
(w) Multicurrency	$	1.0805
(d) FRF	FF	1.01
SOCIETE GENERALE GROUP		
(w) Sogelux Fund		
(w) Sogelux Bonds A	$	11.11
(w) Sogelux Bonds B	DM	21.48
(w) Sogelux Bonds C	FF	84.08
(w) Sogelux Bonds D	SF	20.00
(w) Sogelux Bonds E	£	7.93
(w) Sogelux Bonds F	Y	1629.00
(w) Sogelux Bonds G	ECU	11.28
(w) Sogelux Bonds H	$	11.29
(w) Sogelux Bonds J	BF	540.80
(w) Sogelux Equities K	$	10.73
(w) Sogelux Equities L	ECU	11.03
(w) Sogelux Equities M	YEN	1511.00
(w) Sogelux Equities P	$	10.81
(w) Sogelux Equities Q	$	9.71
(w) Sogelux Equities R	$	10.87
(w) Sogelux Short Term S	FF	108.63
(w) Sogelux Short Term T	ECU	10.64
SODITIC ASSET MANAGEMENT INC.		
(w) SAM Diversified Inc.	$	101.08
SVENSKA HANDELSBANKEN S.A.		
146 bd de la Petrusse,L-2330 Luxembourg		
(b) SHB Bond Fund	$	42.89
(w) Svenska Select.Fd Intl Sh.	$	30.44
(w) Svenska Select.Fd America Sh	$	10.86
(w) Svenska Select.Fd Asia Shares	$	9.95
SWISS BANK CORP. (ISSUE PRICES)		
(d) AmericaValor	SF	472.25*
(d) AngloValor	£	185.16*
(d) Asia Portfolio	SF	618.07
(d) Convert Bond Selection	SF	100.43
(d) Dollar Bond Selection	$	130.59*
(d) D-Mark Bond Selection	DM	116.40*
(d) Ecu Bond Selection	ECU	100.30*
(d) Florin Bond Selection	FL	119.17*
(d) FranceValor	FF	1686.66*
(d) GermaniaValor	DM	458.07*
(d) Gold Portfolio	SF	572.83
(d) ItalValor	Lit	449,994.88*
(d) Japan Portfolio	SF	416.50*
(d) SBC US$ MMF	$	5556.76
(d) SBC 100 Index Fund	SF	1090.00
(d) Sterling Bond Selection	£	104.77*
(d) Swiss Foreign Bond Selec	SF	105.38*
(d) Swissvalor	SF	381.00*
(d) Universal Bond Select.	SF	81.25*
(d) UniversalFund	SF	130.80*
(d) Yen Bond Selection	Y	11,683.00
THORNTON MANAGEMENT LTD.		
(d) Thornton Int opps.fund	$	1.98
(d) Pacific Invt. Fd. S.A.	£	9.61
(d) Pac.Invt. Warrants Fd.S.A.	£	4.61
(d) Thornton Kangaroo Fd Ltd.	$	10.52
(d) Thornton European Fund	$	6.29
(d) Thornton HK & China	$	13.40
(d) Thornton Japan Fund Ltd	$	26.06
(d) Thornton Orient.Inc. Fd Ltd	$	20.63
(w) Thornton Phil. Redev. Fd	$	35.57
(d) Thornton Tiger Fund Ltd	$	26.97
(d) Thor.Pacific Tech.Fd Ltd	$	12.14
(d) Thor.Litl. Dragons Fd Ltd	$	17.21
(d) Thor.Golden Opport.Fd	$	4.26
(d) Eastern Crusader Fund.	$	8.02
(w) The Global Access Fund.	$	9.69
TYNDALL INT'L GUERNSEY LTD		
Tel.0481 27963		
(d) Amer Spec Sits	$	41.27
(d) Eurobond	$	27.72
(d) Mortgage	C$	12.83
(d) Overseas	$	26.71
(d) Tiger	$	39.02
(d) High Yield Bond	£	70.00*
(d) Marunouchi	£	68.20
(d) Far Eastern	£	556.80
(d) Gilt	£	494.40
(d) Mgd Currency-Dollar	$	1.399
(d) Mgd Currency-Stlg	£	103.700
(d) 1992	£	241.300
(d) Wall Street	£	225.800
(d) Hi Inc Gilt & Bulldog	£	103.600
UEBERSEEBANK, ZURICH		
(d) B-FUND	SF	986.58
(d) M-FUND	SF	1072.77
(d) M-Distribution	SF	101.98
(d) UBZ Euro-Income Fund	SF	10.31
UNION BANK OF SWITZERLAND		
(d) Bond-Invest	SF	64.00*
(d) Brit-Invest Shares	SF	776.00
(d) D-Mark-Invest Bds	DM	210.50
(d) Dollar-Invest Bds	$	1118.55
(d) ESPAC Spanish sh	SF	221.00*
(d) Eurit	SF	323.00
(d) Fonsa Swiss Sh.	SF	199.00
(d) Francit Shares.	SF	212.50
(d) Germac Shares.	SF	200.00
(d) Globinvest Shares.	SF	114.00
(d) Gold Invest Shares.	SF	239.00
(d) Holland-Invest Sh.	SF	228.00
(d) Itac Shares	SF	204.00
(d) Japan-Invest Sh.	SF	1785.00
(d) Sima (stock price)	SF	233.50*
(d) Skandinavien-Invest	SF	263.00
(d) UBS Money Mkt Inv.	$	5187.71
(d) Yen-Invest Bonds.	SF	1137.00
UNION INVESTMENT Frankfurt		
(d) Unirenta	DM	39.40
(d) Unifonds	DM	29.80
(d) Unirak	DM	78.85
(d) Unizins	DM	112.55
THE UNIVERSAL GROUP OF FUNDS		
(m) Canada Gtd-Mortgage Fd.	C$	12.32
(d) Univers Sav Amer	C$	9.77
(d) Univers Sav Equity	C$	12.19
(d) Univers Sav Global	C$	5.42
(d) Univers Sav Pacific	C$	8.98
(d) Univers Sav Nat. Res	C$	6.20
VHOYTEMA & CHAUSSEE Brussels 5116933		
(m) vH&C Managed Fut. Index	$	
107.00%		
Other Funds		
(b) Abacus Guart.Fd.Mar.'94'	$	10.00
(r) Acticroissance	$	77.53
(d) Actifinance Intl	$	871.65
(w) Actigestion	FF	1098.14
(w) Activest Intl	$	21.00
(d) Amvabel	FL	98.20
(w) Aquila International Fund	$	247.43
(b) Ariane	$	3,439.49
(m) Atlantic Fund	$	180.15
(d) Atlas Fund	SF	122.35
(r) Australia Fund	$	14.85
(b) Bahamas Superfund	$	897.00
(b) Bleu Monad Bond Fund	$	175.78
(w) Bera Norden Sicav	$	141.49
(w) Berg Trust Sicav	$	112.87
(w) Bergen Int'l Fund.	$	11.01
(w) Bever Beleggingen++	$	25.50
(m) Bonar Currency & Int.	$	87.20
(w) Bondselex-Issue Pr.	SF	119.50
(m) J Capel guaranteed Fund	$	9.59
(w) Capital Man.Inv.Fund	$	1072.00
(d) Cash Gestion	FF	9480.61
(d) CB German Index Fund	DM	104.40
(m) Cleveland Offshore Fd.	$	35.89
(w) Columbia Securities.	FL	101.68
(m) Commod. Gtd. Fund/USA	$	10.65
(w) Convert. Fd. Int'l A Certs	$	18.30
(w) Convert. Fd. Int'l B Certs	$	59.59
(w) Cumber Intl N.V.	$	227.87
(w) Daiwa Japan Fund	Y	10307.00
(w) D.G.C.	$	168.87
(w) DIVERSIF. BOND FUND	$	98.88
(d) D-mark-Baer Bond Fd.	DM	1032.00*
(d) Dollar-Baer Bond Fd	$	1084.00*
(d) D. Witter Wld Wide Ivt Tst.	$	23.32
(d) Dreyfus America Fund	$	15.84
(d) Dreyfus Fund Int'l.	$	57.94
(w) Dreyfus Intercontinent	$	59.17
(w) Esprit Sicav	ECU	1106.12*
(w) Espirito Sto Inv M Sth Eur Fd.	$	10.27
(d) Europe Obligations	ECU	73.86
(w) Fairfield Int'l Ltd.	$	129.00
(w) Fairfield Strat. Ltd.	$	53.10
(w) First Eagle Fund	$	32,135.43
(w) F.I.T. Fund If	FF	106.95
(d) Fonditalia	$	78.27
(w) Fonselex Issue Pr.	SF	196.75
(d) Forexfund Limited	$	9.11
(w) Formula Selection Fd.	SF	73.55
(d) Frankl-Trust Effekten Fd	DM	144.66
(d) Frankl-Trust Interzins	DM	41.69
(w) Future Div.Fund	$	N/C
(w) George V INV. BOND F.	$	18.02
(m) German Sel. Associates	DM	2000.00
(d) Green Line France	FF	659.02
(w) Haussmann Hldgs. N.V.	$	254.75
(w) Health 2000 Ltd	$	10.12
(w) Hestia Funds	$	140.40
(w) Horizon Fund	$	1828.76
(w) Ibex Holdings Ltd.	SF	172.98
(w) IFDC Japan Fund	YEN	47,450.00
(r) ILA-IGB	$	6.51
(r) ILA-IGS	$	9.97
(m) IncAmerica N.V.	$	14.06
(m) IncAsia N.V.	$	10.90
(w) Interecu Fund	ECU	1180.62
(w) Interface Fund Ltd.	$	141.34
(d) Interfund SA	$	35.90
(w) Intermarket Fund	$	378.94
(r) Int'l Securities Fund	$	25.23
(w) Intersec SA	$	3427.24
(d) Investa DWS	DM	61.93
(r) Invest Atlantiques	$	14.80
(w) Inoremer	$	N/C
(r) Italfortune Int'l Fund SA	$	41.00
(m) Japan Selection Asses.	Y	9,641.00
(w) Japan Selection Fund	$	206.24
(w) Japan Pacific Fund	$	313.46
(w) Kleinwort Bens. Jap. Fd.	$	248.18
(d) KML-II High Yield 04/28/89	$	969.56
(w) Korea Growth Trust	$	42.85*
(w) LACO International	$	7.02
(d) Liquibaer	$	1709.80
(m) London Portfolio G'td. I.	$	96.69
(w) Luxfund	$	99.43
(m) Lynx Sel.Holdings	SF	127.82
(w) ML Morgans Lv Hi Yld.Inv.NV	$	10.04
(d) Mediolanum Sel. Fd.	$	36.64
(w) NCA FUND	$	11.29
(w) Nippon Fund	$	109.00
(m) NMT Asian Sel. Portfolio	$	172.12
(w) NMT Citadel Bond Pft.	SF	109.95
(m) NMT Nostec Portfolio s/s.	$	97.95
(d) NM Inc. & Growth Fund	$	15.53
(d) Nomura-Cap Int Eq Fd	$	13.28
(d) Nordmix	Lit	10770.80
(m) NSP F.I.T.	$	251.05
(m) Oppenheimer U.S.Arb.	$	129.13
(m) Overlook Perfor.	$	1073.42
(d) Pacific Nies Fund	$	10.36
(d) PAM Futures Trad.	$	993.08
(w) Pancurri Inc.	$	110.77
(w) Prosp. I.H.Inc.P.F.04/21/88	$	9.40
(w) Protected Perfor. Fund	$	0.72
(w) Quantum Fund N.V.	$	12641.43
(w) Rep.(Guernsey) Dol.Inc.Id.	$	9.38*
(w) Samurai Portfolio	SF	241.30
(d) Sanyo Kle.Spain Fd	$	10.85
(w) Sarakreek Holding n.v.++	$	30.60
(d) SCI/Tech. SA Luxembourg	$	17.96
(w) Spectrafund Ltd.	$	16.61x
(w) SP International S.A.	$	4464.91
(d) Strat Int'l Gold Fund S.A	$	6.63
(d) Sussex Silverman	$	961.00
(w) Techno Growth Fund	SF	67.03
(d) Templeton Glob Inc.	$	10.24*
(w) The Petrus Fund Ltd.	$	1.053
(m) TIIC(O.T.C) Jap.Id Sicav	$	9.35
(w) Transco Gold Mine Inv.	$	3.52
(w) Transpacific Fund	Y	34620.00
(w) Trans Europe Fund	FL	71.86
(w) Tudor B.VI Futures.LTD	$	3887.29
(d) Turquoise Fund	$	202.90
(w) Tweedy,Browne n.v.Cl.A	$	3539.01
(w) Tweedy,Browne n.v.Cl.B	$	1911.56
(m) Tweedy,Browne (U.K.) n.v.	$	1359.02
(d) Unico Inv.Fund	DM	73.84
(d) Unico Equity.Fund	DM	59.75
(d) Uni Bond Fund	$	1480.96
(r) Uni Capital Fund	$	1628.48
(d) Univers Bonds	DM	127.36
(w) Vanderbilt Assets	$	17.20
(d) Vesper Flux	BF	8519.80
(d) Victoria Fund	$	15975.00p
(w) Willerbond Capital	$	13.71
(d) World Fund S.A.	$	22.13
(d) World Balanced Fund S.A.	$	11.31
(m) Zweig Int'l Ltd	$	82,430.80

A$ - Australian Dollars; BF - Belgium Francs; C$ - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Francs; FL - Dutch Florin; Lit - Italian Lira; LF - Luxembourg Francs; p-pence; Ptas - Pesetas; SF - Swiss Francs; Y-Yen; a - asked; + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - Stock Split; * - Ex-Dividend; ** - Ex-Rts; - @ Offer Price incl. 3% prelim. charge; • - Paris exchange; ++ - Amsterdam exchange; e - misquoted earlier; x-not registered with regulatory authority

Be sure that your fund is listed in this space daily. Telex Simon OSBORN at 613595F for further information.

Kuwait

Expansion and Activity Indicate Economic Upturn

There is a marked change in Kuwait as economic activity begins to pick up following last year's cease-fire between Iran and Iraq. Banking and finance are becoming increasingly active and the construction industry is on the move again as higher oil revenues result in more money being pumped into the public sector. But non-oil activities also are on the increase. Its huge oil wealth has enabled Kuwait to achieve some of the highest standards in the Arab world for its social services and benefits.

The emirate is preparing for commercial lift-off following the Gulf war cease-fire. The general feeling among bankers and the business community is one of cautious optimism.

Although the cease-fire is naturally welcome, Kuwait had already put itself well along the road to economic recovery during 1988. The only thing in question has been the strength of the obvious economic and commercial development that is taking place. It is doubtful if Kuwait, or indeed any of the other Gulf states, will again see the runaway economic boom days of the 1970s.

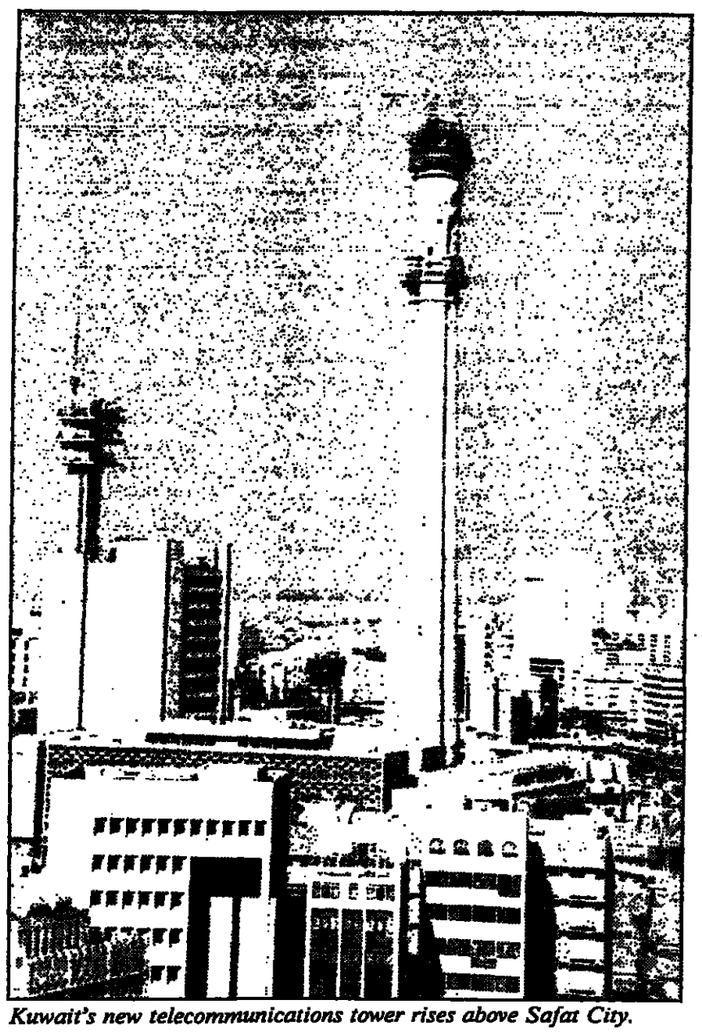
"All that is past; what we are entering now is a period of economic normalization," explains Dr. Ziad Taky of the National Bank of Kuwait (NBK), one of the leading economic observers in the Gulf.

With a gradual injection of government money into the public sector, notably concerning housing and construction, economic activity is again picking up. The signs are visible as the tower cranes swing high over Safat City. The new ministries complex has been completed, the city-center pedestrian walkways are finished and the needle-like communications tower has shot up 500 feet (152 meters) in less than four months. Nearly all the new ringroads are linked to the expressways and most of the new road-building program is confined to the outer urban limits.

The waterfront project to the east of the three famous Kuwait Towers, with its newly opened leisure park on an artificial island, now rivals any of the other corniche developments in the Gulf. In spite of some local labor difficulties, the national Housing Authority's Al Qurain project, one of the largest in the world, is now proceeding, full steam ahead, to help reduce the list of 25,000 waiting for new homes.

Last month, Kuwait's Deputy Prime Minister, Sheikh Sabah Al-Ahmed Al Sabah, announced the approval of $2 billion worth of new building projects for the financial year beginning next July. Work has already started on the new Seif Palace and designs have just been finalized for the Amiri Diwan, complete with a marina and a grand VIP lounge linked to the main buildings. Scheduled for completion in 1992, the total costs are estimated at between KD65 million (US$18.9 million) and KD80 million.

Official sources have also announced an allocation of KD300 million for the new Sabbiya bridge project in the next budget. This will link Kuwait City to a peninsula across the bay where a Japanese group is to construct a KD304 million power station.



Kuwait's new telecommunications tower rises above Safat City.

"There is still a need here for good infrastructure projects, perhaps not on the scale of the boom years of the 1970s, but we need more housing, more bridges and those kinds of things. There is excellent potential here for good projects and our financial institutions are basically in good shape," says Abdul Salam Abdulla Al Awadi, deputy chairman and managing director of AlAhli Bank.

One of the latest proposals is a request from Iraq for Kuwait to build a new railroad spur to link up with Iraq's rail network. Abdulla Abdul-Muhsen Al-Sharhan, the minister of communications, said

See Upturn Page 10

Profits Signal Brighter Prospects in Banking

As the first four commercial banks announce their results, the picture seems very much brighter than it has been for some time. It has been another good year for the National Bank of Kuwait, the largest and most profitable of the commercial banks. It announced net profits of 30.9 million Kuwaiti dinars (US$106 million) for 1988 compared to KD26.7 million the previous year.

"Profitability is one of our characteristics," says Ibrahim Dabdoub, chief general manager of the National Bank of Kuwait (NBK). "We try to be consistent and we always meet our targets."

The NBK is the dominant partner in many local financial operations, particularly trade finance, and is trying to widen its international activities. "We should be able to benefit much more from the trade flows in the Gulf, especially to Iraq," says Mr. Dabdoub, who believes the banks have to identify new marketing niches. "We are already enhancing our overseas capability and improving relationships through our local and regional branches. We are also trying to service both trade and capital flows between Arab countries and the rest of the world," he adds. "We have had a London office since 1965 and our other overseas branches in Europe and the Far East have now reached maturity in their activities."

The NBK has not been lagging in technology, which is very much the name of the game in winning more retail customers in the Gulf. As ATMs, phone banking and other high-tech developments proliferate, NBK scored something of a coup over its rivals by becoming the first Gulf bank to have a direct on-line ATM linking London and Kuwait. A card holder visiting London can draw up to $1,700 a day and have his account directly debited in Kuwait. "Technology is here to stay and we have to provide the best and most efficient service for our customers. Whatever NBK may, or may not do, it will always remain essentially a retail bank," says Mr. Dabdoub.

The Commercial Bank of Kuwait, the third largest, has also followed the trend to better profits with a 13 percent increase to KD 5.2 million. But it has lowered its proposed dividend to KD1.97 million compared with KD3.94 million the year before. However, it announced that it would be making a KD2.46 million bonus share issue.

There was a lackluster performance from Gulf Bank, the second largest commercial bank. Profits increased only slightly from KD7.1 million to KD7.7 million, an 8.4 percent rise. It is proposing a dividend of KD2.9 million, compared with KD6.3 million, but will also issue KD4 million bonus shares.

"We are continally strengthening and coordinating our efforts for the future," says Dr. Yousef A. Al Awadi, chief general manager and chief executive officer. A recent innovation has been the launching of a new Gold Fund — part of the bank's Dhow International Investment Services — to invest in gold futures. Commenting on the overall economic situation, and that of the banking sector in particular, Dr. Al Awadi says that with the virtual completion of the debt settlement

See Banking Page 10

PARK LANE HOTELS
HONG KONG
has acquired
THE CHURCHILL HOTEL
LONDON
for a cash consideration of
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The National Bank of Kuwait SAK

BIL
BRIERLEY INVESTMENTS OVERSEAS N.V.
US$50,000,000
MEDIUM TERM LOAN
BRIERLEY INVESTMENTS LIMITED

Republic of Finland
Kuwaiti Dinars 20,000,000
7½% Bonds due 26th May, 1994
The National Bank of Kuwait S.A.K.

International Bank for Reconstruction and Development
Kuwaiti Dinars 30,000,000
7¼% Bonds of 1987, due July 27, 1994
The National Bank of Kuwait S.A.K.

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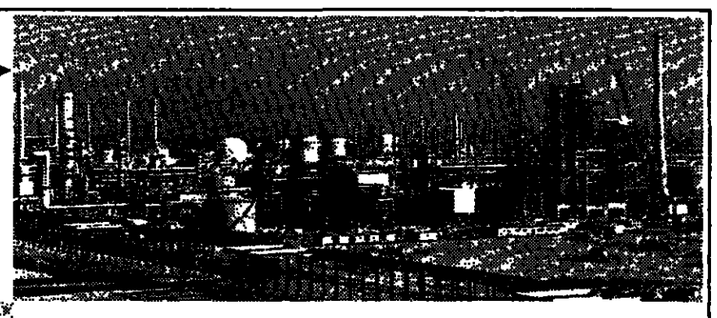
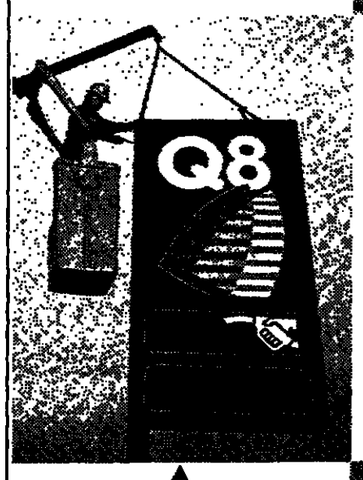
WHICH MAJOR CORPORATION HAS THE THIRD LARGEST OIL RESERVES IN THE WORLD?





SUPPLIES AVIATION FUEL IN THE U.S., EUROPE, THE MIDDLE AND FAR EAST TO MANY OF THE WORLD'S LEADING INTERNATIONAL AIRLINES?

HAS OVER 4,500 SERVICE STATIONS IN SEVEN EUROPEAN COUNTRIES AND OVER 100 PRODUCTS SOLD UNDER THE Q8 BRAND?

OWNS AND OPERATES A FLEET OF 23 LARGE MODERN TANKERS?

OWNS AND OPERATES MAJOR REFINERY COMPLEXES IN EUROPE AND THE MIDDLE EAST WITH THE CAPACITY APPROACHING 1 MILLION BARRELS PER DAY?

AND IS ONLY 8 YEARS OLD?

Kuwait Petroleum Corporation

Economic Upturn

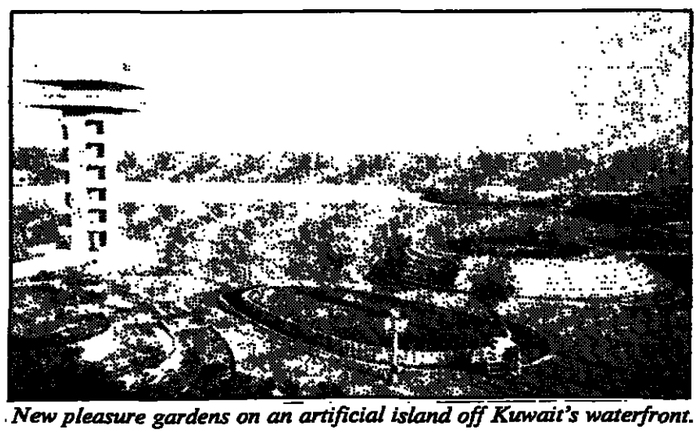
Continued from Page 9

last month that although there were positive aspects to a quick transport system, it could affect other existing land transportation methods.

"We must study the subject and its ramifications in relation to the [six-member] Gulf Cooperation Council, because you cannot take a decision on a railroad without consulting your neighbors," says the minister. Kuwait has been asked by Iraq to bear the cost of the new link, which could be the first step toward a much-discussed and elaborate proposal for a multimillion dollar plan for a Gulf railroad linking Iraq with Muscat in Oman.

Overland routes to Kuwait, particularly from Turkey, form an essential link for imports, especially foodstuffs. Hundreds of Turkish trucks carrying fresh produce — fruit and vegetables — crowd the market area around Shuwaikh each day. To avoid confusion, the city of Kuwait has even erected several street signs in Turkish.

The demand for new homes reflects changes in the social structure and the development of a new middle class, which is seeking not only more independence but also increased advanced education opportunities and greater job opportunities.



New pleasure gardens on an artificial island off Kuwait's waterfront.

While much business is still conducted by expatriates of both Arab or Western origin, more young Kuwaitis are returning from overseas to play a role in developing their country. Between 1980 and 1985, the number of Kuwaitis resident in the country increased by 100,000 to more than 600,000.

One recent example of "Kuwaitization" was given by Khaled Abdul Latif Al Houti, assistant undersecretary at the ministry of communications, who said that of the 2,050 employees in the telecommunications field, 67 percent were Kuwaitis.

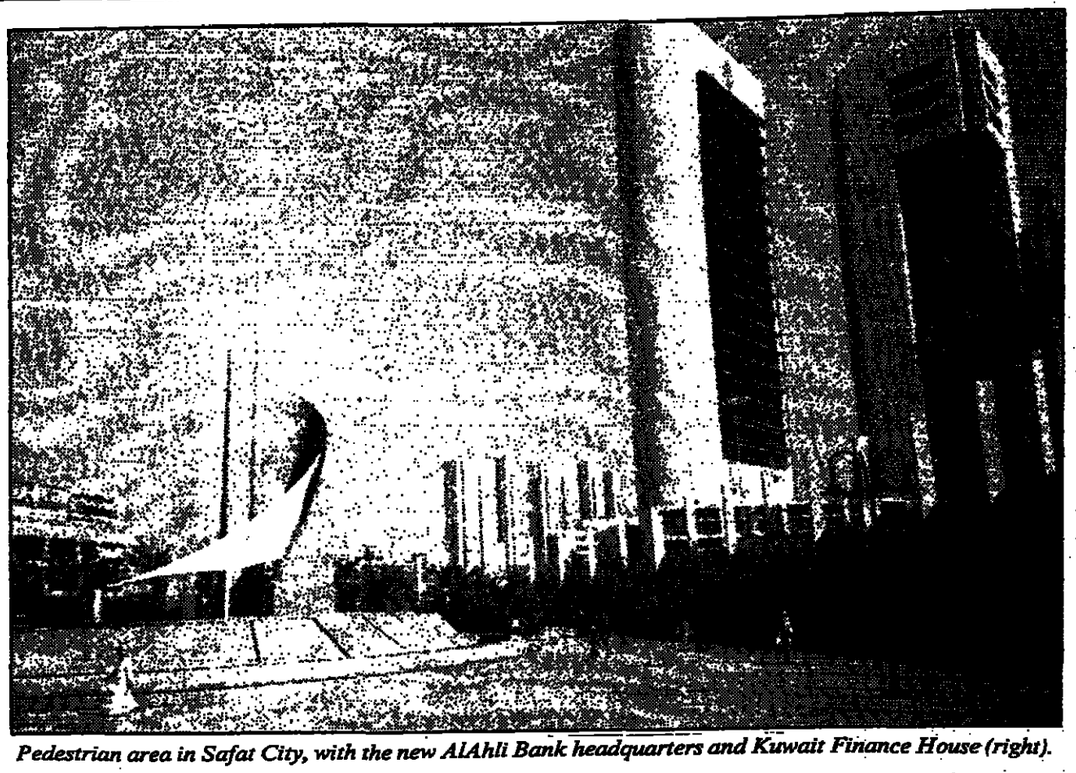
The latest statistics from Kuwait's Central Bank also indicate changes taking place on the economic front. The most interesting factor is the contribution to the economy by the non-oil sector (including petrochemicals), which now contributes around 50 percent of the gross domestic product, largely from the private sector.

Latest figures for the last quarter of 1988 show a 19 percent increase in oil revenues to KD424.6 million from KD406.6 million, and a massive increase in other revenues from KD54.5 million to KD125.9 million. It is fortuitous that these increases come at a time when Kuwait has virtually settled most of the outstanding debts resulting from the unfortunate crash on the Soukh Al Manakh in 1982.

"At least 96 percent of the debts have now been settled, and the steps taken during 1986 and 1987 under the emergency debt settlement program are now bearing fruit," says Dr. Taky of the NBK.

Hisham S. Al-Otaibi, director general of Kuwait Stock Exchange, believes that Kuwait is now pulling away from the effects of the Soukh crisis and the Iran-Iraq war. He says: "Of course we are seeing more confidence and moving into a period of stronger economic growth. Look at real estate prices; they are going up 30 to 40 percent and we are seeing more money going into the banks."

Lee Voysey



Pedestrian area in Safat City, with the new AlAhli Bank headquarters and Kuwait Finance House (right).

Brighter Prospects in Banking

Continued from Page 9

program, "damage control" had been exercised.

"I think that in 1989 the banking sector will take on a more proactive role, a more creative approach. Tough competition ahead will encourage banks to become more international," Dr. Al Awadi says. Gulf Bank is considering upgrading its London representative office to a full branch. "We would like to have something in Europe before 1992," says Dr. Al Awadi. "We can then capitalize on the bigger, single open market."

The AlAhli Bank has posted profits of KD4.3 million compared with KD5.1 million in 1987. The management believes the new, more optimistic environment in the Gulf will help the bank to improve its position this year. In 1988 it opened two new branches in Kuwait as well as moving into its new offices — at 23 stories, one of the most prominent buildings in Safat. It has opened a representative office in London and also a branch in Dubai. AlAhli Bank has been heavily involved in financing many of Kuwait's major infrastructure projects — from expressways to the new telecommunications tower.

Slightly increased profits have been announced by Bank of Kuwait and the Middle East (BKME), one of the smaller of the six commercial banks. The 1988 figures show an 8.5 percent rise in profits, to KD6.4 million. Assets rose by 3.7 percent to KD1.06 billion, with a 4.1 percent increase in customer deposits to KD932.7 million.

BKME, which opened a representative office in London last December, is now exploring ways to broaden the scope of its international activities. In November 1988, it formally opened a representative office in New York.

"We are hoping to do more private investment business there for our clients," says Mr. Mustapha Serageldin, BKME's chief European manager, at his London office. "We are sowing seeds for the future," he adds.

The increase in public expenditure by the government is expected to generate more real estate development. Such a revival will be good for specialist banks like the Kuwait Real Estate Bank, which also showed a small (7.3 percent) rise in profits to KD5.9 million last year. However, its assets declined by 2.6 percent, to KD554 million.

Kuwait Finance House, the Islamic bank, has produced preliminary results showing a 25 percent rise in profits, matched by a 25 percent increase in distribution of funds to depositors. It plans to increase its dividend to shareholders by one percent to 13 percent.

Other investment houses have been doing well in fiscal 1988. For example, the total assets of the Kuwait Investment Company (KIC) have risen dramatically in 1988 from KD9.8 million to KD60.9 million. The increase was due to a share swap between the United Gulf Bank and the KIC, which resulted in KIC's capital base rising from KD8.5 million to KD54 million. It confirms a shift of emphasis away from commercial banking activity and into investment banking. The KIC, according to a statement this month, now has portfolio investments totaling KD18.4 million under its management. These represent more than 25 percent of its assets.

The Gulf Investment Corporation (GIC), the joint GCC bank based in Kuwait, has announced a 10 percent hike in its assets to $1.56 billion (KD453.5 million), most of which remain as interbank deposits. Profits for 1988 fell by 9 percent compared with 1987. The GIC is undergoing a substantial change in its recent policy by concentrating more on direct investments in the GCC projects. It was originally founded for this purpose, rather than for investing in the money markets. Allocations for new GCC ventures increased by more than 400 percent last year to $50 million (KD14.5 million).

L.V.

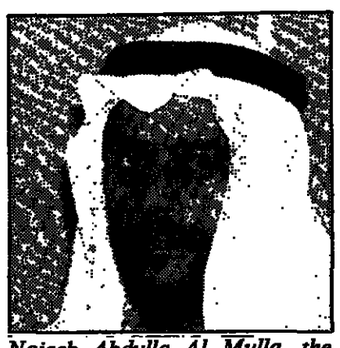
Quality the Key to Group's Success

With an annual turnover well in excess of $100 million and investments as diversified as a cable television company in Britain and a fertilizer plant in India, the Al Mulla Group does not believe in taking risks. The company, which celebrated its golden jubilee last year, began life as a small electrical repair shop. Today it is one of Kuwait's largest conglomerates. It employs 3,000 people and has a reputation for high-quality service.

The Al Mulla Group's interests range from Chrysler and Mitsubishi dealerships and the biggest auto service facility in Kuwait to a marine division, food supplies and domestic equipment. Reviewing the group's 50 years of business, the present chairman, Najeeb Abdulla Al Mulla, aged 48, is a cautious man. "Conservatism" is a key word in his vocabulary when it comes to making deals.

"We are always looking for good, solid business ventures. We never try to make a quick buck — that could be dangerous for us — and we are very conservative," says Mr. Najeeb, who went to a British public school and then to Switzerland for his education. He has three other brothers in the group.

During the 1950s and '60s, Al Mulla relied largely on auto sales but in the following decade it decided to embark on a substantial diversification program which included street cleaning and office maintenance, armored-car cash transfers, air-conditioning (AC) controls and equipment and many other activities.



Najeeb Abdulla Al Mulla, the chairman of the Al Mulla Group.

The company also operates taxicabs and has built up the largest car rental business (with 1,200 vehicles) and one of the largest AC auto-service facilities in the Middle East. More recent ventures include providing AC and firefighting systems for the Bayan Palace, where the Gulf Cooperation Council summit was held, and it is now providing AC for the new communications tower.

Diversification has undoubtedly helped the group weather some of the economic storms that have beset other comercial groups in Kuwait. "We meet our targets nearly every year and we have never been in the red. Last year's performance was better than the year before, and that is how we always hope to continue," says Mr. Najeeb.

He is convinced that one of the keys to the group's success is the atmosphere among the staff, and the relationship between manager and employee. More than 100 staff have been with the group for over 20 years, and 300 for more than 10 years.

He points to the democratization of the board, which has 11 directors. "Only four of them are shareholders, so they can always be overruled. We have to have this kind of democracy on the board; perhaps one of the reasons why we survived crises like the Soukh Al Manakh and the Iran-Iraq war is that our company does not depend on any one single person."

The work ethic is also ingrained in the management structure. Mr. Najeeb says that he always spends at least eight hours in the office. Nevertheless, staff find the atmosphere congenial. "We have a very relaxing environment here," he says. "And if you have that, you get productivity."

Al Mulla was one of the first companies to introduce incentives and profit-sharing schemes for its staff. Managers can double their salaries through incentives and bonuses.

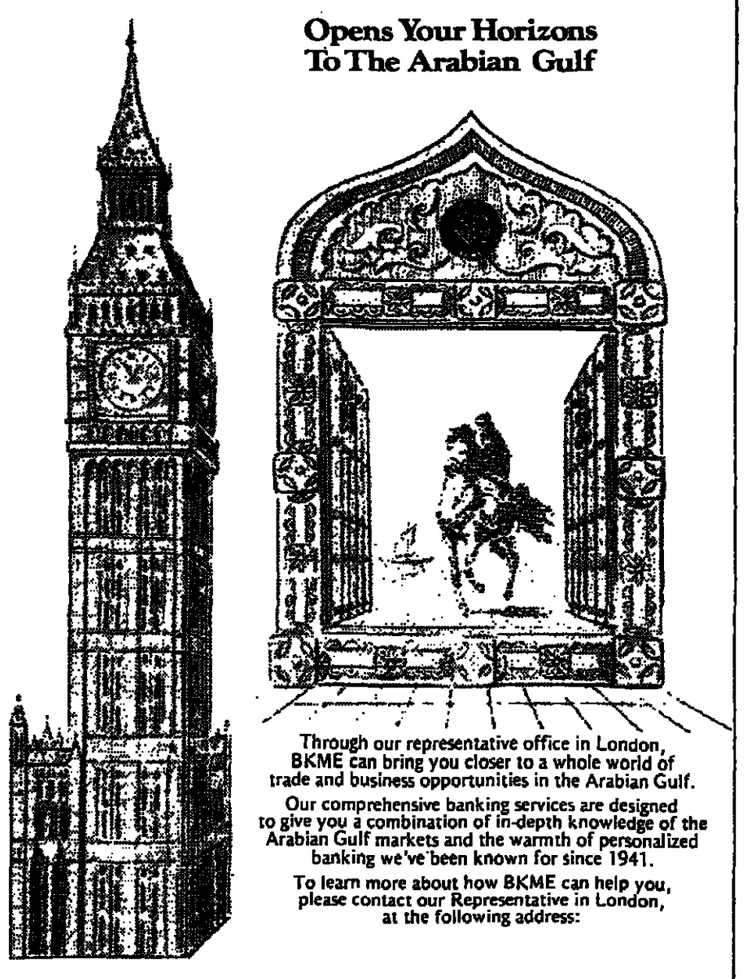
Dayal Mirchandani, deputy managing director, believes that team spirit counts the most in running the company. Equally important is the standard of service for the customer.

"The Mulla name means quality," says Mr. Najeeb. "This is what people go by in Kuwait. It is the quality of service which counts, and if you don't have that service and backup, you can't sell anything here."

L.V.

THE BANK OF KUWAIT & THE MIDDLE EAST

Opens Your Horizons
To The Arabian Gulf



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BKME

KIIC Management Targets EC and Asia

Kuwait International Investment Company (KIIC) is now more confident about investment opportunities, particularly in Europe and Asia.

"1988 was a year of transition for KIIC," says its chairman, Jassim M. Al-Bahar. "We have cleaned out a lot of our older investments and have had to make increased provisions for some non-performing activities."

KIIC, in common with most investment institutions in Kuwait, did not come out of the New York stock market crash in 1987 unscathed, and has had to work hard to make up for lost ground. Mr. Jassim, who took over as chairman in the middle of 1987, has streamlined KIIC's operations and defined new strategies for the future.

"We have set up a new division for planning and research which is helping us to get clearer directions for the future," says Mr. Jassim. He believes that the single European market in 1992 is a significant factor in KIIC's investment policy.

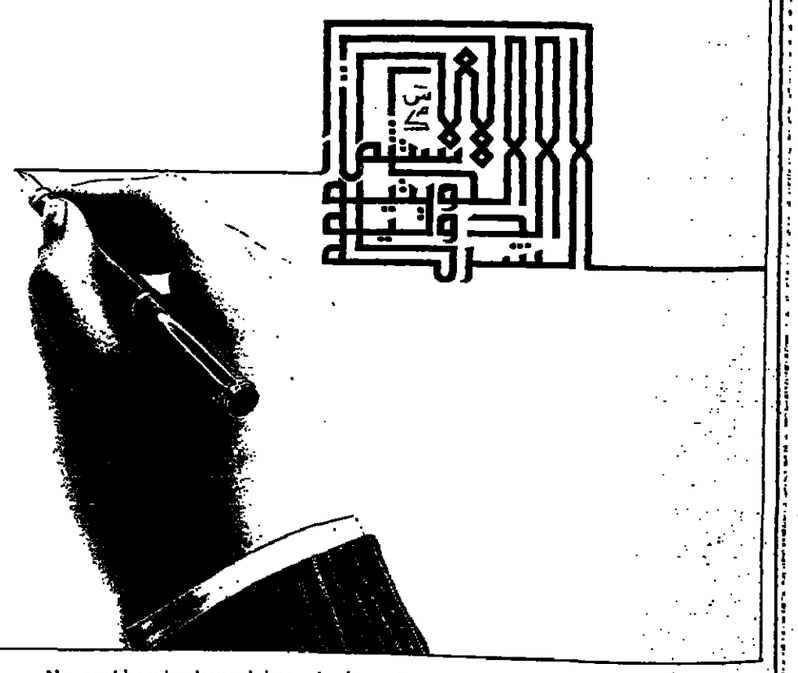
"We have been looking very closely at Portugal, one of the poorest members of the EC, where we see several opportunities," he says. "We are in a joint venture with the London merchant banker, S.G. Warburg, which is investing in real estate and industrial development, and we are also involved in the $40 million Kuwait-Portugal Fund."

Mr. Jassim sees growing links between Kuwait and Portugal, which he considers an attractive investment venue. KIIC is also looking at expanding its activities in the Far East and Southeast Asia, and may be launching new investment funds for these areas. With a staff of 180, KIIC, which is 25 percent government-owned, manages investment portfolios from the public and private sector totaling more than $1.5 billion. These have shown an average return on investment of 20 percent per year over a seven-year period. Last year KIIC participated in 39 new issues, compared with only 17 in 1987, worth approximately $5 billion all told.

KIIC is hopeful about its new management structure. KIIC's chairman says: "We are only as good as our people, and the services we deliver reflect the quality of our staff. With those we have on board now, I think we can look forward to the future with more confidence."

Lee Voysey

IN INTERNATIONAL INVESTMENT, THIS IS OFTEN THE SHORTEST DISTANCE BETWEEN TWO POINTS.



No-one with a serious interest in international investment should take our name – Kuwait International Investment Company – at face value.

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Construction Projects to Remedy Housing Shortage

"For sale: four-bed elegant Arabic-style villa: four bathrooms; kitchen, utility room; guest wing and maid's quarters; sunroof; all services; parking for two cars; own courtyard. Price, around KD42,000 ($150,000); repayments KD75 over 45 years." This is the kind of real estate that young Kuwaitis will see as the first Type-4 villas come on the market at the Al Qurain housing complex, probably one of the largest of its kind in the world.

Out of a projected 12,415 dwelling units, 1,200 homes have already been completed. According to Ali Al-Fouzan, assistant director general for planning and design at the National Housing Authority and a graduate of Colorado University, there will be a total of 7,451 villas, while the remaining dwellings will be in the form of self-build homes on 400-square-meter (4,500-square-foot) plots.

Life is changing in oil-rich Kuwait, and so is the type of home Kuwaitis wish to build or own. No one wants to live in an apartment anymore.

"We have had to put a freeze on all apartment-building projects," says Mr. Al-Fouzan. "Everyone wants his own separate villa with a courtyard and the kind of privacy you cannot get in an apartment."

Kuwait's master plan for housing projects led to the formation of the National Housing Authority in 1974. At the time, the plan called for a substantial number of apartments, many near the newly developing city center, in order to bring some life to an area that was almost deserted when shops and offices closed. But the idea did not take off, and today one massive, futuristic apartment development remains almost totally empty.

"We are hoping that there will be a change in the situation in the next few months," says Mr. Al-Fouzan. He adds: "I think about 120 of the 524 apartments will be taken up. But we are not building more like this."

Kuwait's housing program has achieved dramatic results with the completion of the 25,390 units under the current five-year plan, now in its final year. A total of 27,000 units have been built since 1974.

But the biggest surprise of all has been the huge waiting list for new homes. There is an acute housing shortage, partly due to social change and the desire for villas, and partly to the economy of the housing schemes themselves.

"People forget that we are not only building houses in the desert. We are having to construct roads, put in all utility services — water power, telephones — there was nothing there at all when we began the housing program," explains Mr. Al-Fouzan.

"But we have reduced the waiting period, which was once as much as 20 years, to eight or 10 years," he said.

In some areas a little removed from the main urban centers, homes can be had in two years, while on Failaka Island, which is mainly a resort area, there is no waiting list at all.

According to Mr. Al-Fouzan, there are about 25,000 applications for homes on the current NHA waiting list. "Unfortunately, we cannot build more than 2,500 homes a year because of the time it takes us to put in the infrastructure," he says. "Don't forget that apart from the basic utilities, we are also putting up schools, neighborhood centers with shopping facilities, and medical clinics."

More than KD800 million has been spent on the current five-year plan's housing project and slightly less will probably be budgeted for the new plan now being finalized by the government.

Other difficulties facing the NHA include a surprising lack of building land. "We have to work within the parameters laid down in the original master plan, which allocated areas of Kuwait for different purposes — housing, industry, commercial offices — and not forgetting oil-related developments," explains Mr. Al-Fouzan.

He adds that land for building is at a premium because Kuwait is relatively small (only 17,880 square kilometers, or 6,877 square miles, of which a little under half is the Neutral Zone shared with Saudi Arabia) and because the population of 1.6 million, of which only 600,000 are Kuwaiti nationals, is growing rapidly.

"We are getting more and more applications as the present generation grows up, and there could be difficult times ahead for us to fulfill our housing quotas," Mr. Al-Fouzan adds.

It was recently suggested that "satellite islands" could be built off the main waterfront areas, to be used for housing and to ease the land squeeze.

The present construction showpiece at Al Qurain is an impressive concept designed by a joint Swedish-Kuwaiti consultancy firm, which has tried to overcome some of the problems experienced in earlier developments.

"We have tried to provide everything the average family will need as close as possible to the areas where they will be living. People don't want to drive miles to the shops. They just want to be able to go to the neighborhood shop or to the drugstore on the corner," Mr. Al-Fouzan says.

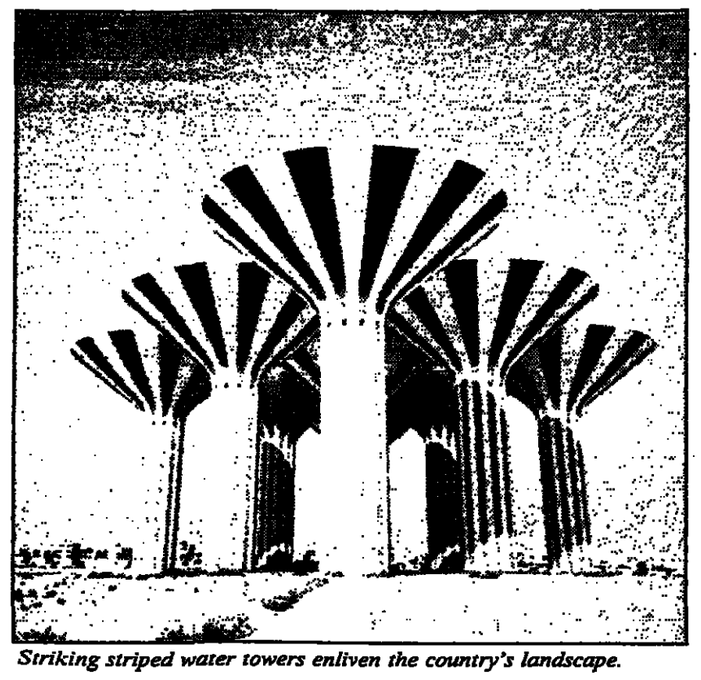
The Al Qurain project has 36 different villa designs, and the construction is of a very high standard, with marble floors and staircases; high, airy rooms of no less than 16 square meters (171 square feet); and a good, overall finish to the interior.

With a project of this scale, problems and delays are not unexpected. But work is now rapidly pressing ahead and even some landscaping has begun on what is believed to be the largest housing site on earth. The development has also introduced a touch of class to the reputation of Arab housing projects, which often have the appearance of being designed by photocopiers. Al Qurain is bringing a new meaning and a new look to Arabian state-housing projects.

Lee Voysey

Mr. Ali Al-Fouzan, assistant director general of the National Housing Authority in front of villas in the new, high-standard Al Qurain housing complex.

A NEW WAVE OF responsibility is sweeping through the different sectors of Kuwait's social services, which are among the most advanced in the Arab world. While the underlying principle of free housing, schooling, medicare and pension rights will always be maintained, today's generation is being asked to pay for or contribute to most social services. Kuwait has a major housing problem: young Kuwaitis do not want to live in high-rise apartments; they want their own villas. In order to raise more revenue for the country's health services, prescription charges are being introduced. New neighborhood centers with their own family clinics, shopping malls and schools are being built — a new type of "urban village" in the desert, linked to the capital by fast freeways. Kuwait has learned it has to march with the times.



Striking striped water towers enliven the country's landscape.

Computers Manage Pension Paradise

Every day, several hundred Kuwaitis walk into the ground floor of the Public Institution for Social Security to check their social security records and benefits. Lining two sides of the main hallway are computer terminals connected to the main IBM 3083 data base, which holds more than 140,000 individual records.

What is unusual for the Arab world is that every computer terminal is operated by a female researcher; each works a six-hour shift with a one-hour break.

"It takes six months to train the researchers," says Fahad M. Al-Rajaan, director general of the institute, "and we have virtually a zero turnover. Altogether we have some 500 persons working in the building, who, as well as paying out some $50 million a month in benefits, also manage the pension fund of about $5 billion."

The institute was formed in 1977 when Kuwaitis in public and private sectors became eligible for social security benefits covering old age, sickness and death. Four years later, the program was extended to cover voluntary contributions for those not covered by the early measures. In 1986, the program of social security contributions became mandatory for all Kuwaiti workers, including the self-employed.

The system is financed through direct contributions: 5 percent of an employee's monthly salary is deducted for social security; the employer pays an additional 10 percent of the salary; and the government adds another 10 percent subsidy, bringing the total social security contribution to 25 percent of each worker's salary.

In line with other charges in social services, social security has developed from a free service, beginning in the 1960s, to today's system of mandatory contributions.

The benefits are considerable. A man only needs to work for 20 years and a woman for 15 years to receive 65 percent of his or her final salary as a pension. In the case of serious illness leading to inability to work, a pension is paid regardless of the number of years during which contributions have been made. If an emergency situation occurs, the insured person is guaranteed 25 percent of his or her salary.

Mr. Fahad M. Al-Rajaan, director general of the Public Institution for Social Security.

Mr. Fahad says that age limits may have to be raised in the future. "When we started social security in this country, we had many older people who did not have enough contribution years for pension payments. That is now changing, and many of the older generation have already retired — our new generation must learn to shoulder some responsibility," Mr. Fahad points out.

Although no final decision about retirement age limits has been reached, the limit is likely to be raised to 55 for men and 50 for women.

The institute already receives contributions from 90,000 working Kuwaitis and sends out benefits to 50,000 persons who are either retired or entitled to benefits of one kind or another.

Mr. Fahad, an investment banker before becoming director general of the institute, said the system of payments that is being introduced for medical and health services may be taken over by the institute, which has one of the most advanced computer data bases in the emirate.

The data-processing department has a staff of 100, of whom just under half are Kuwaitis. The data center manager, Adel Boushahri, who spent many years in Britain working for IBM, is in the process of upgrading the system to extend its capacity.

The investment management department, which handles the fund's investments, is also computerized; it is linked to 17 portfolio investment centers all over the world.

About half the value of the fund is invested internationally, with 80 percent in securities, mainly bonds.

"We are heavily weighted toward bonds," says Mr. Fahad, who believes in an extremely cautious approach to pension funds.

L.V.

Toward Self-Reliance in Medical Services

In March 1989, the first batch of 20 young Kuwaiti men and women graduated as family doctors from the Faculty of Medicine at Kuwait University. They will take their places in Kuwait's growing number of district family clinics.

It was a significant event marking progress toward Kuwait's greater self-reliance in medical services, which are already among the most progressive in the Gulf. From 1975 to 1985, health care underwent rapid expansion, with a major hospital-building program accounting for 27 percent (KD50 million) of total government expenditure.

The country's second five-year plan, whose major goals are consolidating and improving services for the general public, will be completed next year. Since independence in 1961, the government has aimed at providing health care for all by the year 2000. It is now well ahead of its target, with one doctor for every 1,500 persons and three hospital beds for every 1,000 patients. The country has 6,104 hospital beds, including 600 at private company hospitals, most of them provided by the oil industry.

According to Dr. Tareq F. Al-Abdul Jader, assistant under-secretary at the Ministry of Public Health, major policy changes regarding availability of services are currently taking place.

Until now, all health services have been provided free for Kuwaiti nationals. However, the government is introducing charges for certain services, not only to meet declining budgets, but to make Kuwaitis more aware of their social responsibilities. Many patients who visit a doctor asking for a prescription for drugs, throw the drugs away "because they don't like the color," and ask another doctor for a new prescription. According to medical sources, this has become so widespread as to be a substantial drain on resources.

Dr. Tareq and others point to the abuse of medicare in Kuwait and to considerable waste of drugs and medical supplies. In a typical budget quarter, KD5.5 million (US$19 million) is spent on drugs, medical supplies and surgical equipment.

According to Dr. Nael Al-Naqib, under-secretary at the Ministry of Planning, some doctors are so overworked at the regional hospitals that they give out prescriptions without even seeing patients.

It is hoped that the new program of creating more family health clinics in or near new housing developments will bring improvements.

Dr. Tareq F. Al-Abdul Jader, assistant under-secretary of the Ministry of Public Health.

"Although no distances are very great here, people don't want to drive to the hospitals; they prefer to go to a family doctor in the local clinic, which is why we are building more," says Dr. Tareq. "Unfortunately, our budgets cannot meet all the costs of building these clinics from government funds, which is another reason why charges are being brought in."

The Ministry of Planning is studying a number of proposals to help finance medical services. Proposals include an annual contribution for health services from all Kuwaitis, citizens and expatriates alike. Half the contribution will be directly paid for by the employer. The contributions are intended to cover preventive health care, accidents, serious illnesses and malignant diseases.

Stricter controls on the drug-pricing structure by private pharmacists are also to be introduced. Although patients will have to pay for some services, Dr. Tareq stresses that free health care will continue to be available to all Kuwaitis even if they cannot afford the charges.

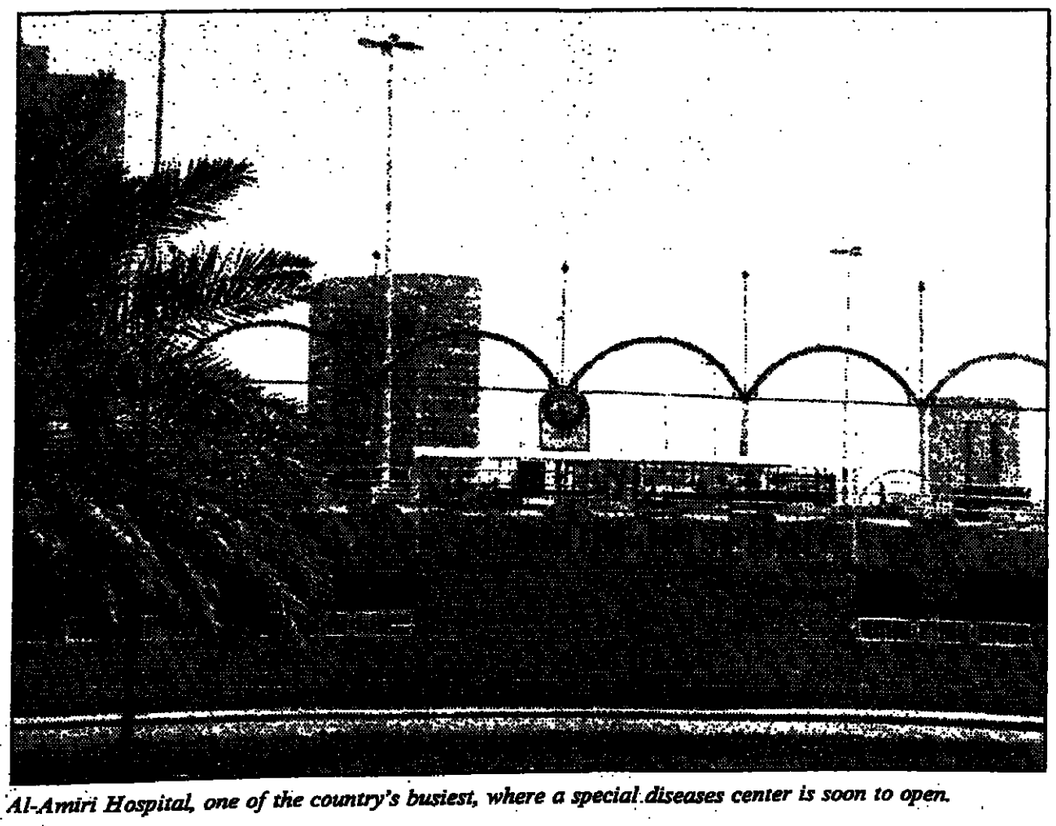
He adds: "But this is unlikely in reality. What we are seeking is a nominal payment toward the services we offer. Our people have to realize there is no such thing as a free lunch. But we will never ever refuse to offer treatment," he said.

Medical standards are now equal to those of most of the developed world. Open-heart surgery and bypass operations are regularly carried out, the first bone-marrow transplant took place last year and an organ transplant center has just been completed at the Al Sabah medical complex. A special diseases center is due to open at the Al-Amiri Hospital. Later this year, a new burns and plastic surgery center will open.

Kuwait set the standard for the future of medicine in the Gulf by being one of the first countries to establish a nuclear medical center at the faculty of medicine, which works in conjunction with other nuclear medicine units in Kuwaiti hospitals. More than 15,000 patients a year visit these units.

Traditional medicine has not been neglected. Two years ago, a Center for Islamic Medicine (a gift from a Kuwaiti and his wife) was opened at a cost of KD6.5 million. The center serves a dual function: treating patients by using herbs with medicinal value and encouraging a revival of the Islamic medical heritage.

L.V.



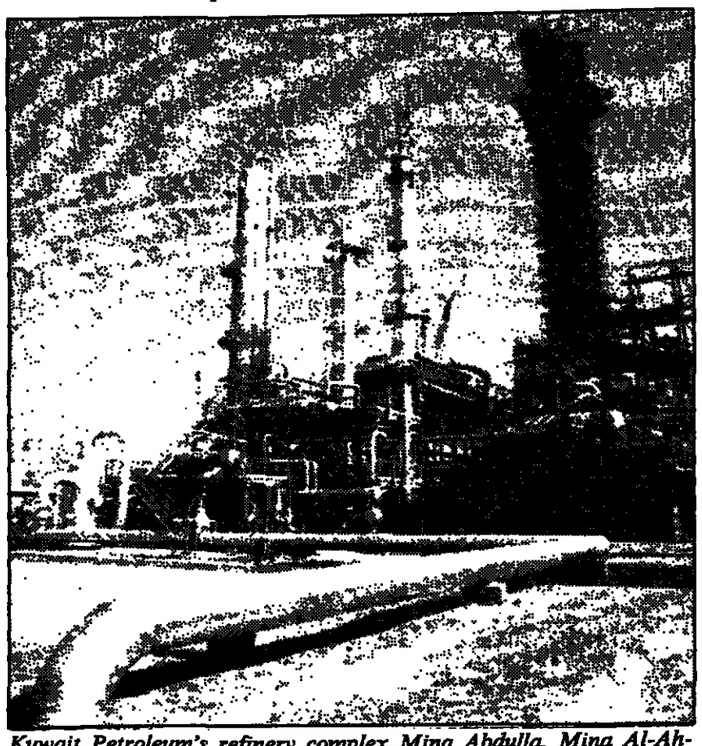
Al-Amiri Hospital, one of the country's busiest, where a special diseases center is soon to open.

Oil Industry Diversifies Successfully

Sheikh Ali Khalifa Al-Sabah, Kuwait's oil minister, said at the time of the last OPEC meeting in Vienna (March, 1989) that the organization's output should be increased by 1.5 million barrels per day (mpd), boosting production to 20 mpd for the last six months of the year.

Total OPEC production for 1988, according to Petroleum Economist magazine, was 19.82 mpd. During the first two months of this year, an average increase of 20.25 mpd was reported, a figure slightly ahead of Sheikh Ali Khalifa's forecast.

Kuwait's own output for those two months has already risen from an average of 1.1 mpd to 1.29 mpd. With the current trend toward higher, firmer oil prices, oil revenues this year should comfortably exceed the 1988 total of KD1.5 billion ($5.1 billion).



Kuwait Petroleum's refinery complex Mina Abdulla, Mina Al-Ahmadi and Shuaiba with total refinery capacity of 700,000 b/d.

Kuwait's expertise both on the domestic and international fronts has enabled it to develop its oil industry in a manner unique among the Gulf countries. The establishment of the Kuwait Petroleum Company (KPC) in 1980 with a capital of KD2.5 billion has enabled the country to create an integrated industry with its own exploration and drilling operations, its own exploitation companies and its own refineries and marketing organization worldwide.

In the last five years, a shift in policy has enabled Kuwait to rely less and less on crude oil exports. There is now more emphasis on refining, marketing petroleum and lube oil products and on oil exploration and production in foreign concessionary areas.

Kuwait was the first OPEC member to drill for oil outside its own boundaries. This has been done through Kuwait Foreign Petroleum Exploration Company (KFPEC) and by its purchase of the Santa Fe company (U.S.). Its drilling operations range from Australia to the Republic of Ireland.

Kuwait has consistently followed a policy of added-value to its crude oil production. KPC processes most of its oil through its own refineries before export. As part of its integration policy of supplying oil at every stage, from directly out of the ground to gasoline for the motorist's tank, KPC has not only been extending its refineries overseas (in Denmark and Holland) but also buying up retail outlets. It now has between 4,000 and 4,500 gas stations throughout Europe.

The eye-catching "Q8" (pronounced Koow-eight, or Kuwait) is now becoming a familiar sight at roadside gas stations in Britain, Denmark and Holland. KPC has about 1200 stations in Britain, where it has already taken six percent of the market share. It is also building up its share of the lube-oil market, and in early April this year, Kuwait Petroleum (GB) agreed to buy Carless Lubricants Ltd from Kelt Energy Plc for $51 million. This will give it more than five percent of the U.K. lube-oil market. Recently KPC took over a small Italian lube-oil company.

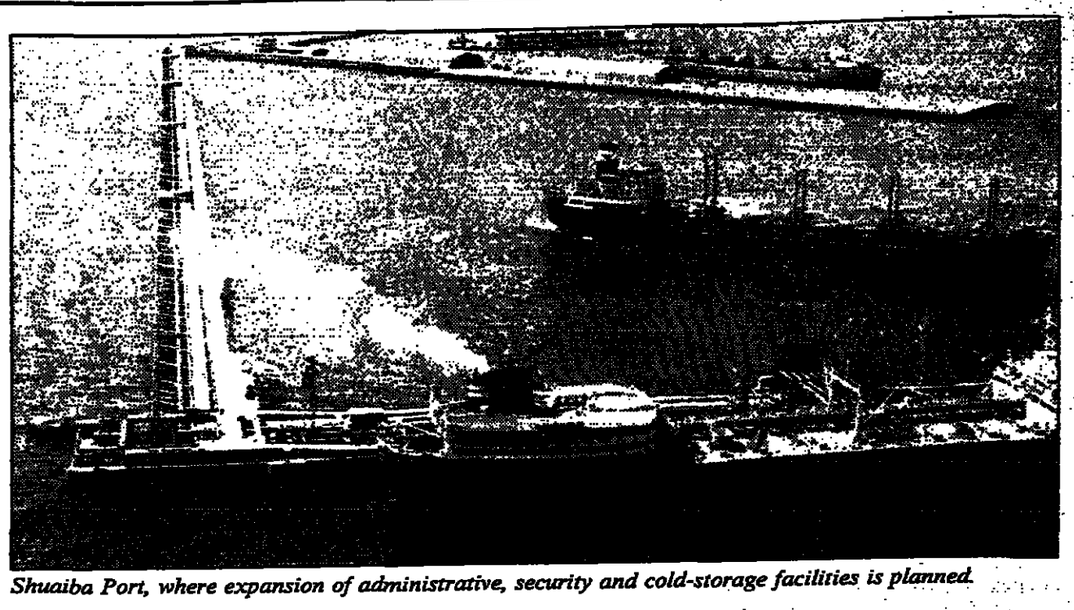
Among its innovations, KPC was one of the first companies in Europe to market unleaded petrol in 1985, under the brand name "2085."

By diversifying its oil-industry activities, Kuwait has been able to achieve maximum flexibility in production facilities and marketing. Now it is expanding its marketing acitivies for aviation fuels, especially in the Far East.

By integrating its operations, Kuwait has been able to maintain a high degree of independence and avoid relying on intermediaries or foreign companies. This policy even extends to transportation: the country's fleet of two dozen tankers (with several new tankers under construction) is operated by Kuwait Oil Tankers Company (KOTC), which was formed more than 30 years ago.

Kuwait's largest oil export terminal is at Ahmadi, where the port is linked to a man-made island ten miles offshore for loading super tankers that cannot enter the main Mina Ahmadi facilities. There are three other oil ports south of Ahmadi: Mina Shuaiba, Mina Abdullah and Mina Al Zor. All the ports have refineries capable of producing more than 500,000 barrels a day of refined products for export.

Lee Voysey



Shuaiba Port, where expansion of administrative, security and cold-storage facilities is planned.

Transport Industry Now Prospering

As the first anniversary of the cease-fire between Iran and Iraq approaches in August, Kuwait's airlines, shipping companies and ports are readying themselves for a long-awaited revival of commerce in the region.

The Kuwait Airways Corporation (KAC), which is celebrating its 35th anniversary this year, expects record profits, while the United Arab Shipping Company (UASC), part-owned by the Kuwaiti government, has posted a profit after five years of losses. Other developments include plans to expand the main ports of Shuaiba and Shuwaikh over the next six years, in anticipation of an economic rebound now that the Gulf conflict is over and oil prices are rising.

The chairman and managing director of KAC, Ahmad Al-Mishari, said earlier this year that the corporation expects to set a new record when its financial year ends in June. Profits for the first six months — the second half of 1988 — reached a record KD10 million (US$34.6 million), thanks to recent consolidation.

The KAC, along with other members of the regional Arab Air Carriers Organization (AACO), is drawing up plans to lease aircraft to help reduce costs while maintaining the most modern fleets possible. Mr. Mishari, who heads an AACO steering committee looking into the plans, said financing would be provided by Islamic banks and financial institutions based on a feasibility study conducted by U.S. consultants Arthur D. Little. "This," he reported, "should allow Middle East carriers to have the most up-to-date aircraft," without incurring substantial capital costs on their own account.

The UASC turned a $9 million loss in 1987 into a record profit of $54.8 million in 1988 — its first surplus in five years — after a program of consolidation that cut operating costs considerably. The carrier estimates it handles about a quarter of all the container trade between Europe and the Gulf states, and most of the bulk cargo. Director-general Saud Abdel-Aziz Al-Zamil looks forward to a substantial upturn in business. But he also warns that increasing competition on these routes could occur as foreign lines expand in the region as a result of the cease-fire.

One new entrant is expected to be Guernsey-based Thames Shipping, which is launching a 14-day service between U.S. ports and Kuwait this spring, with additional discharge points in Jordan, Saudi Arabia, Bahrain and the United Arab Emirates. Gulfship Marine, of the United States, has also begun a monthly breakbulk service from North America to the Gulf states for high-volume cargoes such as oilwell equipment and machinery. General Manager Durel Landry reports there has been "tremendous interest" in the service, especially from big companies engaged in reconstruction projects in Iraq and Iran.

Kuwait's own port officials are cautious about any immediate upturn in reconstruction projects pending a full peace agreement between Iraq and Iran, but they are going ahead with plans to expand their own facilities in anticipation of a general return of prosperity to the region. The Assistant General Manager of the Ports Public Authority, Abdel-Rahman Al-Nibari, said last month that the plans would include expanding the customs section for containers and the free-trade area at Shuwaikh, and new administration, security and cold-storage buildings at Shuaiba. While neighboring Iraq has announced plans to rebuild its own port facilities in the northern Gulf, completion of the projects could take years, with the result that Kuwait's ports could be called in to handle Iraq's imports for some time to come, given the convenient overland links to Baghdad and Basra.

Kuwait Oil Tankers Company (KOTC), a state-owned concern, is also responding to improved trade prospects with plans to order two very large crude carriers (VLCCs) and a huge products carrier. Industry sources say that if the upturn continues, the KOTC could order three more VLCCs in the future.

Pamela Ann Smith

University Serves the Community

Improving Kuwait's educational system has always been a focus of the country's modern development. The first school in Kuwait was opened in 1911 (long before the oil boom) and named for the country's ruler at the time, Sheikh Mubarak Al-Sabah. It was founded because the merchants of the day needed more bookkeepers and clerks who could write, and was financed by a 5 percent tax on all imports to the emirate.

Today Kuwait has one of the most modern and probably the finest educational systems in the Gulf. Current needs are no longer for clerks and bookkeepers but for their modern equivalents — computer software writers, oil-industry technicians, doctors, engineers and scientists.

As Sheikh Jaber Al-Ahmad Al-Jaber Al-Sabah, Amir of Kuwait, has said: "Building up the modern state must be accompanied by building the Kuwaiti individual and preparing him for the challenges of this era."

Thirty years ago, the government adopted an ambitious education program, which was extended in 1966 to include a university. The university began with 400 students, two schools and 31 professors. Today there are about 16,000 students, nine separate schools including a University College for Women and a College of Graduate Studies, and nearly 900 professors.

Kuwait University provides an essential link between gown and town through an active community-service program of continuing education. The popularity of this program reflects the Kuwaiti's traditional urge for self-improvement.

According to Dr. Rasha H. Al-Sabah, the University's vice-rector for Community Service and Information, about 4,000 to 5,000 students a year attend vocational and other evening classes that are not part of degree programs. The courses cover a wide range of subjects, and are open to anyone.

"Most people come because they want to better themselves, or because they believe the extra knowledge and experience will help them with their career development," says Dr. Rasha. Students pay a token KD35 (around $120) per semester for these courses, which were first offered in 1976.

"The courses fulfill one of the objectives of any university: the need to continue teaching and research and to help and maintain contact with the local community. We, in the university, have to remind ourselves to come down from the ivory tower," comments Dr. Rasha, who is shortly hoping to become the university's first female professor.

While Kuwait's constitution guarantees free education for all, as well as the right to employment, Dr. Rasha believes that a gradual change is taking place. "I think the message today is that while the right to employment is still there, the job you have in mind may not necessarily be the one you get: the government is more likely to place you where it would like you to be."

She adds that this is just one way in which today's government is trying to make clear to the population the importance of individual effort; "give-away" programs developed during the country's oil boom are no longer feasible. Young Kuwaitis are learning their responsibilities to their nation.

L.V.

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MEDIA MARKETS

Do Advertising Agencies Have Social Consciences?

By BRUCE HOROVITZ

Los Angeles Times Service

LOS ANGELES — Doonesbury sometimes seems like the kind of guy whose most pressing problem is whether to lunch on Cajun chicken or duck sausage pizza. But the oh-so-hip comic strip character has spent the past two weeks wrestling with a question that delves — if not stabs — into the heart of the advertising business: Do people who create commercials have any conscience?

The answer, at least the one reached by Doonesbury's creator, Garry Trudeau, will not leave many advertising executives with whiter shirts or brighter teeth. Rather, it would seem to leave most with ring around the collar.

In the comic strip, the character Michael J. Doonesbury, who is employed as a copywriter at an ad agency, is asked by an R.J. Reynolds Tobacco Co. executive to create a print advertising campaign that will coax young people to start smoking. What is more, Doonesbury is led to believe that his very job at the agency depends on accepting the assignment.

One executive said about one in five employees might not want to work on a cigarette account.

After two weeks of soul searching — including a dream sequence in which he invents an animated pitchman shaped like a cigarette — Doonesbury finally accepts the assignment. And this single decision seems to cast a pretty large shadow over the entire ad industry.

"There's no shortage of people willing to go to work making ads for cigarette companies," said John M. Connors Jr., president of the Boston firm Hill, Holliday, Connors, Cosmopulos, which creates ads for John Hancock Mutual Life Insurance Co. and Wang Laboratories Inc. While his agency does not handle any cigarette companies, he says it would at least consider doing so.

But has Doonesbury been presenting an accurate picture of the ad industry? Are ad agency workers sometimes asked to put their morals aside and work on advertising for products — like cigarettes or liquor — that they do not condone? And if so, just how many refuse to work on projects for advertisers such as cigarette makers?

Well, how about one in five?

THAT, AT LEAST, is the case at one New York ad agency that creates advertising for Richland and Capri cigarettes, both made by Brown & Williamson Tobacco Corp. "About 20 percent of our people might not want to work on our cigarette account," said Peter Geer, president of Geer, DuBois Inc., which also creates ads for Jaguar PLC. "It's a distinct minority," Mr. Geer said of those who would not create cigarette ads, "but it's a significant number."

And what happens if they do not want to? Well, Mr. Geer said, they are simply assigned to different clients. At the same time, however, he said that before hiring employees, his agency sometimes asks people if they would object to working on cigarette ad business. "But that doesn't mean we wouldn't hire them if they said yes," he said.

Laurie Brandalise said she had turned down lucrative offers to create tobacco ads. But she is a free-lance copy writer based in Los Angeles. And she said it was easier for her to say no than for many of her friends who work full time at ad agencies.

"I have nothing to lose," she said, "but they can lose their jobs." Of course, many ad agencies have never faced this problem because they have never even had the opportunity to create ads for tobacco companies.

Doonesbury's creator, Garry Trudeau, refused to be interviewed. But a spokesman for Universal Press Syndicate, the Kansas City company that distributes the comic strip, said that

See CONSCIENCE, Page 18

Texas Air Net Loss Widens

Eastern Blamed For Poor Quarter

Compiled by Our Staff From Dispatches

HOUSTON — Texas Air Corp. reported Tuesday a net loss of $255.5 million in the first quarter, most of which was attributed to the strike at its Eastern Airlines unit.

In the first quarter of 1988, the airline had a net shortfall of $124.3 million.

Eastern, which is based in Miami, has been in bankruptcy protection from creditors since March 9, five days after the start of a strike by its machinists union that was supported by pilots.

First-quarter revenue at Texas Air fell 13.3 percent, to $1.89 billion from $2.18 billion a year earlier.

Eastern reported a first-quarter loss of $255.2 million before a $10.4 million charge for dividends payable to its preferred shareholders. This compares with a shortfall of $31 million a year earlier, before a $14.1 million dividend charge.

Eastern's revenue dropped to $620.6 million in the quarter, from $1.1 billion in the similar period a year earlier.

The president of Eastern, Philip J. Bakes, said, "While further substantial operating losses should be expected for the second quarter, the company's business plan which was recently submitted to our creditors and 5,000 working employees shows dramatic future improvements."

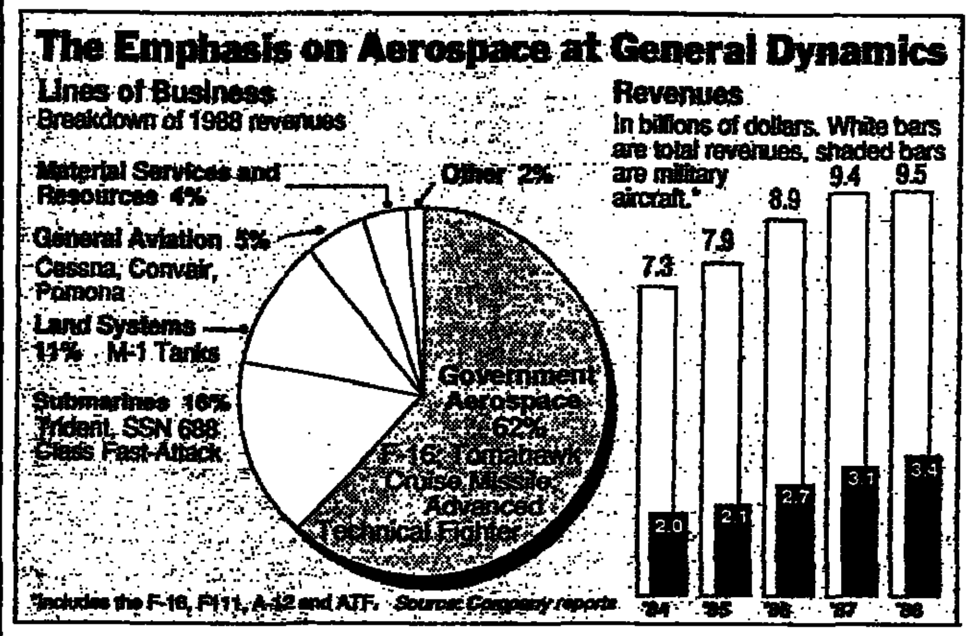
He added that the airline's cash resources would increase "dramatically" as a result of its new plan to rebuild as a smaller carrier and to sell $1.8 billion in assets.

Such sales must be approved by the federal bankruptcy court in New York. Judge Burton R. Lifland has set a hearing for Wednesday on the issue of auctioning Eastern in its entirety. This would include the company's shuttle service in the Northeast, which is scheduled to be sold to the developer Donald J. Trump for $365 million.

Another Texas Air subsidiary, Continental Airlines, reported a first-quarter net loss of $16.5 million on revenue of $1.2 billion, compared with a net loss of $80.6 million a year earlier.

The nonunion airline, which is based in Houston, attributed the improvement to good operating performance and an increase in the number of business travelers.

(AP, Reuters)



The F-16: Flying for Profit

General Dynamics Bets on Future of Popular Fighter

By Thomas C. Hayes

New York Times Service

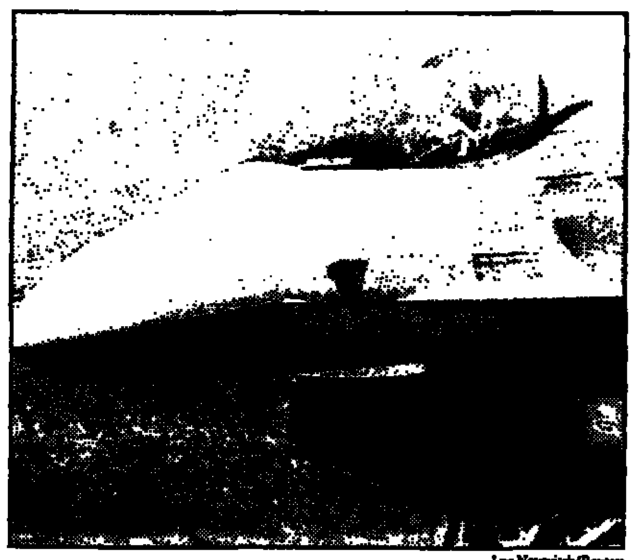
FORT WORTH, Texas — Some jet fighters are faster. Others can carry more weapons. And some are more modern in design. But General Dynamics Corp. is betting that its popular F-16 is going to keep flying high.

Executives of the company believe that at least an additional 2,000 of the $15 million planes will be sold before the fighter becomes obsolete, making it one of the best-selling jets in the history of military aviation.

If they are right, the business that General Dynamics expects to get from the joint FSX fighter project of the United States and Japan, which will be based on the F-16, will be mere icing on the profit cake — not something that would be crucial to the company.

"We are interested, obviously, in the business," said Dain M. Hancock, the vice president who heads program development at the company's assembly plant for the F-16 near Fort Worth. "But it's not a make-or-break thing by any stretch of the imagination."

On Friday, President George Bush said Japan had accepted terms calling for General Dynamics to handle 40 percent of the joint program to build 130 aircraft, with the first scheduled for completion in 1995.



Luc Novovitch/Reuters

An F-16 ready for takeoff: General Dynamics has built more than 2,300 of the jet fighters for air forces around the world.

The FSX will have a larger wing size than the F-16, improved engine performance, a longer nose and other new features.

The work would be added to production already under way at the plant in Texas. General Dynamics has built and shipped more than 2,300 F-16s to air forces around the world since the first one was delivered to the U.S. Air Force in 1978.

Some members of Congress have said they would mount a strong challenge to the FSX agreement.

Many have argued that Japan would apply technology secrets gained from the F-16 to help establish a commercial aircraft

See FIGHTER, Page 15

U.S. Home Sales, Factory Orders Slowed in March

Compiled by Our Staff From Dispatches

WASHINGTON — Orders received by U.S. factories, a measure of health in the industrial sector, fell 0.9 percent in March, with aircraft and other transportation orders excluded, while sales of new single-family homes fell 5.5 percent, the Commerce Department said Tuesday.

Overall, factory orders rose a modest 0.7 percent for the month, mainly because of a jump in aircraft orders, the department said. Although transportation and military orders rose in March, there were declines in most other categories, especially for durable goods, manufactured items designed to last at least three years.

The declines included a 6.7 percent drop in orders for electrical machinery and a 4.6 percent reduction in orders for primary metals.

Excluding defense-related orders, orders fell 0.3 percent.

The March numbers followed overall order declines of 2 percent in February and 1.2 percent in January. The value of overall factory orders stood at a seasonally adjusted $232.92 billion, the department said.

In the key category of nondefense capital goods, watched as a barometer of business investment plans, orders were up 2.4 percent in March after declining 7.8 percent in February.

The latest level of orders follows several signs that economic growth, especially in the manufacturing sector, decelerated in the first quarter of the year under the weight of the Federal Reserve Board's inflation-fighting interest-rate increases.

In a separate report, the department said sales of new single-family homes fell 5.5 percent, to a seasonally adjusted annual rate of 587,000, the lowest since January 1988. February sales fell 10.5 percent.

The home sales declines were widespread throughout the country, except in the Northeast, where they surged 43.3 percent. In other regions, sales fell 2.8 percent in the Midwest, 12.7 percent in the South and 20.5 percent in the West.

At the same time, inventories of unsold new homes rose to their highest level since February 1980.

The average U.S. home sold in March for a record $152,200, up from $146,400 in February, and compared with $133,200 a year earlier. The median sales price in March was a record $126,000, compared with $120,300 in February and $108,900 in March 1988.

In the first indication of the economy's performance in April, however, the National Association of Purchasing Management said Monday that business at industrial companies rebounded after three months of faltering growth, as export orders picked up. An export boom, starting in late 1987, provided much of the strength that lifted factory orders 9.7 percent last year and 7.1 percent in 1987.

Exports began to level off, however, late last year.

(Reuters, AP)

U.S. Inflation To Ease in '89, Purchasers Say

The Associated Press

BOSTON — The National Association of Purchasing Management predicted Tuesday that inflation would fall to 3.8 percent this year, compared with the 5 percent reported for 1988.

Forty-five percent of the members of the association, which represents 30,000 purchasing agents, said they expected their capital expenditures to rise in 1989. But 24 percent said that they believed their expenditures would drop below last year's level.

The association said that purchasers saw prices increase an average of 2.9 percent so far this year but that they expected inflation to be more moderate the rest of the year.

By more than 3 to 1, the purchasing executives predicted the economy would continue to grow through the year. The inflation rate this year was the greatest concern of 28.7 percent of the members.

Currency Rates

Cross Rates

May 2

	$	£	D.M.	F.F.	I.L.	Gldr.	B.F.	S.F.	Yen
Amsterdam	2.1315	3.5845	1.1284	0.334	0.1544 *	—	5.391 *	1.265	1.5899 *
Brussels(a)	39.54	66.4875	20.9295	6.1925	2.8617 *	18.55	—	23.463	0.2951
Frankfurt	1.8888	3.177	—	0.296	0.1368 *	0.8863	4.778 *	1.1214	1.4085 *
London (b)	1.684	—	3.1768	10.7375	2,323.00	3.5818	66.51	2.8265	225.38
Milan	1,380.85	2,322.65	731.40	216.41	—	648.20	34.954	820.05	10.306
New York(c)	—	1.6794 b	1.8927	6.3948	1,382.50	2.135	39.575	1.6854	134.265
Paris	6.3835	10.736	3.3794	—	0.4623 *	2.9953	0.1615	3.7883	4.7615 *
Tokyo	133.90	225.49	71.09	21.04	8.971	62.92	3.3942	79.68	—
Zurich	1.6822	2.8325	0.891	0.264	0.1219 *	0.79	4.2594 *	—	1.2558 *
1 ECU	1.1618	0.6651	2.0808	7.0316	1,522.12	2.3478	43.5483	1.856	147.406
1 SDR	1.2901	0.7671	2.4368	8.2356	1,783.90	2.7489	51.8121	2.1726	172.492

Closings in London, Tokyo and Zurich, fixings in other centers. New York closing rates.
*a: Commercial franc; b: To buy one pound; c: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	75.50	Fin. markka	4.208	Mex. peso*	2402.00	S. Afr. rand	2.569
Austral. $	1.2614	Greek drac.	160.50	N. Zealand $	1.6213	Soviet ruble*	0.6297
Austr. schil.	13.28	Hong Kong $	7.7815	Nig. naira*	5.2995	Span. peseta	116.90
Brazil cruz.	1.02	Indian rupee	15.8854	Norw. krone	6.846	Swed. krona	6.406
Canadian $	1.1836	Indo. rupiah	1757.00	Phil. peso	21.498	Taiwan $	25.82
Chinese yuan*	3.7221	Irish £	0.7072	Port. escudo	156.10	Thai baht*	25.525
Danish krone	7.248	Israeli shek.	1.795	Saudi riyal*	3.7525	Turkish lira	2054.00
Egypt. pound	2.5031	Kuwaiti dinar*	0.291	Sing. $	1.954	UAE dirham*	3.6728
		Malay. ring.*	2.695	S. Kor. won	663.40	Venez. boliv.	37.48

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6781	1.6741	1.6708	Canadian dollar	1.1862	1.1888	1.1909
Japanese yen	133.33	132.75	132.27	Swiss franc	1.6756	1.6714	1.6668
Deutsche mark	1.8829	1.8776	1.8722				

Sources: Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham); Gosbank (ruble). Other data from Reuters and AP.

Interest Rates

Eurocurrency Deposits

May 2

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU	SDR
1 month	[illegible]	[illegible]	[illegible]	12½-12⅝	8½-8⅝	4½-4⅝	[illegible]	[illegible]
2 months	9⅞-10	[illegible]	[illegible]	12½-12⅝	[illegible]	[illegible]	[illegible]	[illegible]
3 months	[illegible]	6½-6⅝	[illegible]	12⅞-13	[illegible]	4¾-4⅞	[illegible]	[illegible]
6 months	10-10⅛	[illegible]	[illegible]	[illegible]	8¾-8⅞	[illegible]	8⅞-9	[illegible]
1 year	[illegible]	6⅞-7	[illegible]	13-13⅛	8⅞-9	5⅛-5¼	9⅛-9¼	[illegible]

Sources: Morgan Guaranty (Dollar, DM, SF, Pound, FF, yen); Lloyds Bank (ECU); Reuters (SDR).
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

May 2

United States	Close	Prev.
Discount rate	7.00	7.00
Prime rate	11½	11½
Federal funds	9¾	9⅞
Com paper 90-179 days	9.15	9.20
3-month Treasury bills	8.50	8.58
6-month Treasury bills	8.52	8.46
1-month CD's	9.40	9.40
3-month CD's	9.45	9.45
Japan		
Discount rate	2½	2½
Call money	4⅛	4⅛
1-month interbank	4 23/32	4 21/32
3-month interbank	4 13/16	4 13/16
West Germany		
Discount rate	4½	4½
Lombard rate	6½	6½
Overnight rate	6.35	5.00
1-month interbank	6.45	6.40
3-month interbank	6.65	6.60
6-month interbank	6.85	6.80
Britain		
Bank base rate	13.00	13.00
Call money	12.00	12¼
1-month interbank	13.00	13.00
3-month interbank	13 1/16	13 1/16
France		
Intervention rate	8¾	8¾
Call money	8½	8 9/16
1-month interbank	8½	8⅝
3-month interbank	8 11/16	8 11/16
6-month interbank	8¾	8¾

Sources: Reuters, Bank of Tokyo, Commerzbank, Crédit Lyonnais.

Asian Dollar Deposits

May 2

1 month	[illegible]
2 months	9⅞ - 10
3 months	[illegible]
6 months	10 - 10⅛
1 year	10⅛ - 10¼

Source: Reuters.

U.S. Money Market Funds

May 2

Merrill Lynch Ready Assets
30-day average yield: 9.53
Telerate Interest Rate Index: 9.507

Source: Merrill Lynch, Telerate.

Gold

May 2

	A.M.	P.M.	Ch'ge
Hong Kong	377.85	377.25	+ 1.50
Luxembourg	377.20	—	— 4.70
Paris (12.5 kilo)	380.70	379.87	— 2.58
Zurich	377.45	377.95	— 0.85
London	376.90	377.45	— 0.10
New York	—	377.50	— 0.50

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.

Source: Reuters.

EC Warns U.S. Against Trade Moves

Compiled by Our Staff From Dispatches

BRUSSELS — The European Community's Executive Commission warned the United States on Tuesday against using its Omnibus Trade Act as a weapon for retaliation in trade disputes.

The commission was reacting to the publication Saturday by the United States of its 1989 report on trade estimates, potentially the first step in a process aimed at forcing U.S. trade partners to remove alleged trade barriers.

"The commission must reiterate its profound concern about the use which could be made of this report under the terms of the Trade Act," the EC executive said in a statement.

It warned of "the risk to the international system" of trade if the United States took unilateral measures against its trade partners.

The 1988 Omnibus Trade Act obliges the U.S. trade representative, Carla A. Hills, to list countries considered for priority investigations into alleged use of unfair trade barriers.

The trade estimates are published annually, but this year they will also serve, for the first time, as the reference for Mrs. Hills's decisions, which must be announced by May 30.

Alfred H. Kingon, the U.S. ambassador to the community, said it would be "a wholly inaccurate interpretation" to see the annual inventory as a threatening countdown to action under the trade legislation.

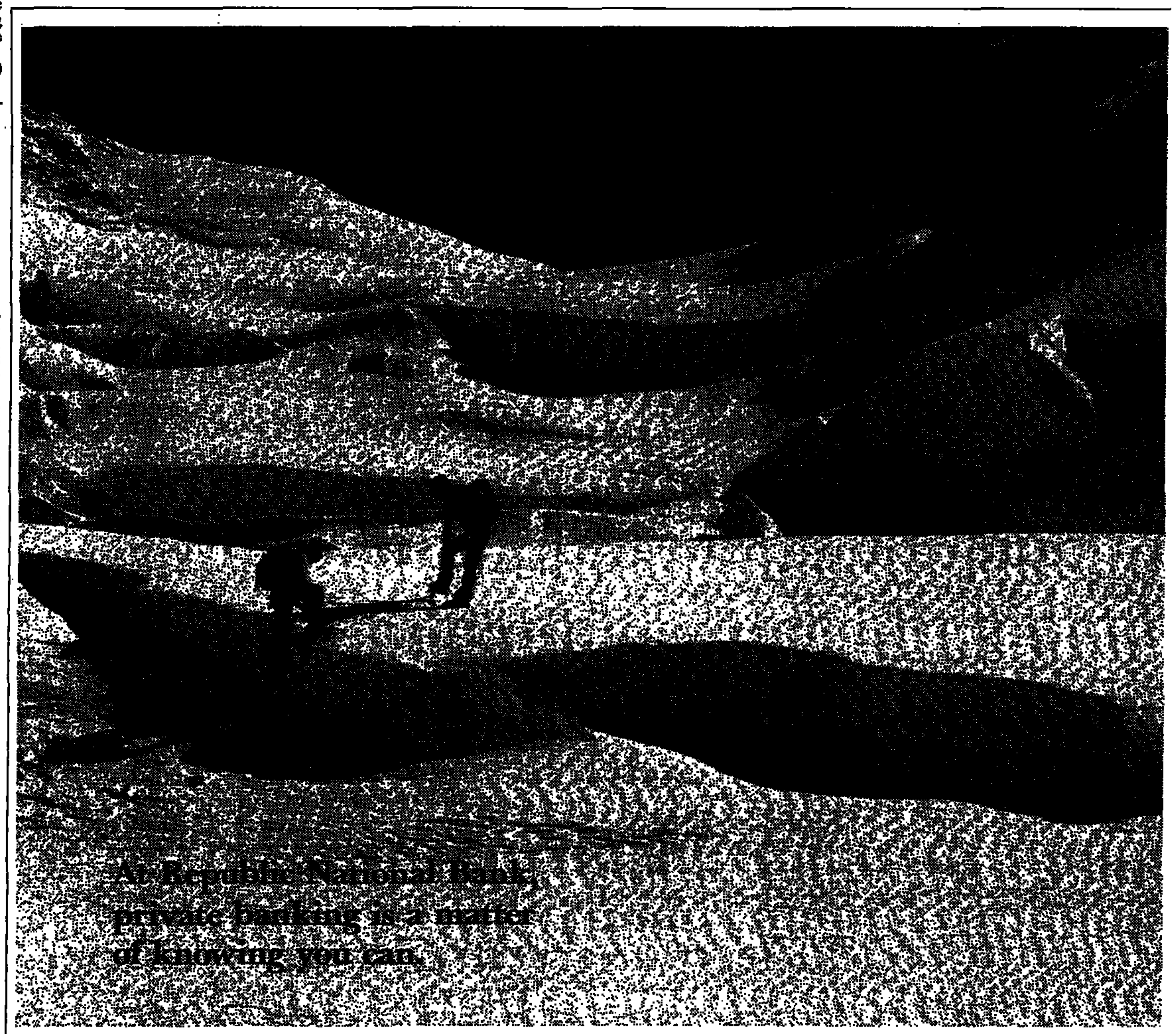
"I hope they don't panic," he said, referring to the EC commission. "There are no surprises on the list, and it does not at all mean that just because something's on one list, it will be on the other. It's conceivable none will be."

The report lists accusations against 34 countries as well as the European Community and the Gulf Cooperation Council, a six-nation bloc of Gulf states.

The report's chief allegations against the Europeans include access to the telecommunications market, subsidies for the Airbus jetliner and the EC ban on the use of growth stimulators in beef.

An EC official said the commission would publish Wednesday a counterlist of EC products harmed by U.S. trade barriers. But he was unable to say whether the list was intended only as a political gesture or would be used to force bilateral negotiations on market access.

(AFP, Reuters)



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NYSE Most Actives

	Vol.	High	Low	Last	Chg.
UCarb	100079	31¾	31	31	— ⅛
Texaco	55820	54⅞	54	54⅜	+ ⅛
EKodak	29546	47	43½	43⅞	—3¼
Avon	26446	32¾	31	32⅛	+ ⅛
CenSoW	19047	32	31¾	31⅞	
USShoe	17879	18½	17¼	18	+ ⅝
AT&T	15696	35	34½	34½	
PepsiCo	14693	49⅞	48⅝	49⅝	+1⅛
Baxter	14337	19⅞	19⅝	19¾	+ ⅛
CineOd	13855	15⅝	15⅛	15¼	+ ¼
GenEl	13812	49¼	48¾	49	+ ¼
WiscEn	12979	26⅞	26⅝	26⅝	
IllPowr	12453	14⅝	13¾	14½	+ ⅜
Exxon	12152	43⅛	42½	42⅝	— ⅜
Boeing	11470	79⅛	77¼	78⅝	+1¼

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	88.93	+ 0.12
Utilities	89.04	+ 0.08
Industrials	88.81	+ 0.15

Market Sales

NYSE 4 p.m. volume	172,560,000
NYSE prev. cons. close	171,526,550
Amex 4 p.m. volume	9,920,000
Amex prev. cons. close	10,701,000
OTC 4 p.m. volume	140,983,100
OTC prev. 4 p.m. volume	116,720,000
NYSE volume up	68,295,500
NYSE volume down	77,481,400
Amex volume up	3,438,100
Amex volume down	4,055,500
OTC volume up	n.a.
OTC volume down	n.a.

NYSE Diary

	Close	Prev.
Advanced	722	590
Declined	728	832
Unchanged	529	528
Total Issues	1979	1950
New Highs	118	72
New Lows	17	17

NYSE Index

	High	Low	Close	Ch'ge
Composite	173.31	172.37	172.37	— 0.45
Industrials	209.16	208.11	208.11	— 0.58
Transp.	168.85	167.82	167.82	— 0.72
Utilities	82.51	82.19	82.19	— 0.11
Finance	145.03	144.47	144.47	— 0.39

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh't
May 1	265,292	602,270	78,053
April 28	349,488	523,301	22,673
April 27	422,474	555,292	25,120
April 26	244,684	569,215	74,227
April 25	341,801	553,136	15,946

*Included in the sales figures

Tuesday's NYSE Closing

Via The Associated Press

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	2415.69	2434.38	2394.61	2402.86	— 12.10
Trans	1135.19	1144.24	1127.26	1133.57	— 3.87
Util	193.10	194.77	191.80	192.15	— 0.65
Comp	924.13	931.06	916.80	920.34	— 3.79

AMEX Diary

	Close	Prev.
Advanced	295	248
Declined	309	338
Unchanged	251	278
Total Issues	855	864
New Highs	32	24
New Lows	10	17

Standard & Poor's Index

	High	Low	Close	Ch'ge
Industrials	357.44	354.61	354.61	— 1.16
Transp.	260.43	259.30	259.31	— 0.68
Utilities	124.90	124.28	124.28	— 0.32
Finance	28.82	28.55	28.56	— 0.15
SP 500	310.45	308.12	308.12	— 1.00
SP 100	291.71	289.89	289.10	— 1.06

NASDAQ Index

	Close	Ch'ge	Week Ago	Month Ago
Composite	428.03	+ 0.56	422.71	407.18
Industrials	421.45	+ 1.80	415.65	398.00
Finance	504.90	+ 0.33	503.39	490.12
Banks	458.13	— 0.59	456.96	455.81
Insurance	487.26	+ 0.52	484.06	474.73
Utilities	638.97	— 1.81	618.47	582.02
Transp.	410.78	+ 1.68	410.25	413.59

NASDAQ Diary

	Close	Prev.
Advanced	1,000	867
Declined	995	1,112
Unchanged	n.a.	2,471
Total Issues	n.a.	4,450

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
WangB	3417	7¾	7½	7½	— ⅛
IntRec	3009	12	11⅛	11⅝	+ ½
Amdhl s	2902	19⅝	19	19	— ⅝
Diasonc	2896	3	2⅞	3	
NY Time	2490	30½	29⅞	29⅞	— ½
EchoBy	2400	13⅞	13½	13⅝	— ⅛
FruitL	1995	10⅝	10⅛	10¼	+ ⅛
TexAir	1770	12⅞	12½	12¾	— ⅛
Thermd	1485	14⅜	13⅞	13¾	— ½
Intrmk	1471	14⅞	14	14⅝	
OMI	1434	8⅝	8½	8¾	+ ¼
BAT	1391	9⅝	9¼	9⅝	— ⅛
SierHS	1328	4½	4	4½	+ ⅜
MoogmC	1317	6⅝	6¼	6¼	— ⅜
PegGld	1311	9¼	8⅝	9⅛	— ⅛

AMEX Stock Index

High	Low	Close	Ch'ge
345.66	344.56	344.66	— 0.62

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Dow Drops on Kodak Report

United Press International

NEW YORK — Stock prices closed lower Tuesday in active trading on the New York Stock Exchange, after a disappointing earnings report from Eastman Kodak Co. triggered a late selloff that erased the market's earlier gains.

The Dow Jones industrial average, which fell 3.84 points Monday, tumbled 12.10 to close at 2,402.86.

Broader-market indicators also weakened. The New York Stock Exchange composite index fell 0.45 to 172.37 and Standard & Poor's 500-stock index dropped 1.00 to close at 308.12. The price of an average share lost 9 cents.

Declines narrowly edged out advances. Big Board volume swelled to about 172 million shares, compared with about 138 million traded Monday.

Analysts said the news that Kodak's first-quarter earnings dropped sharply to 62 cents a share from 80 cents a share in the year-ago period set the stage for some late afternoon selling, which thwarted the market's attempt to hold gains won earlier in the session.

Prior to the release of Kodak's results, stock prices drifted at slightly higher levels, supported by follow-through buying that began around midday Monday after the Dow had fallen roughly 20 points.

The market Monday initially plunged on the news that a U.S. purchasing managers' index, which measures new orders, production, vendor deliveries, inventory and employment, rose to 53 percent in April. A reading above 50 indicates the economy is expanding.

Alfred Goldman, market strategist with A.G. Edwards & Sons Inc. in St. Louis, said some players were willing to capitalize on the weakness in prices.

However, he also noted that uncertainty about the economic outlook continues to weigh on the market in advance of the April employment report, which is due Friday.

"We're still getting mixed signals on economy, which is keeping stomach acid levels high," he said.

In NYSE trading, Union Carbide was the most active NYSE issue, falling ⅛ to 31¼.

Texaco followed, rising ⅛ to 54⅜. Avon Products, a recent target of takeover speculation, was third, dropping ⅛ to 32⅛.

Eastman Kodak plunged 3¼ to 43⅞.

Boeing rose 1¼ to 78⅝. Thai Airways placed orders for eight new Boeing jets, including seven 737-400s, becoming the first Southeast Asia customer for the new plane. Total value of the order was about $400 million.

Fischbach gained 1⅛ to 18⅛ after rising 1⅜ Monday. Federal Filings Inc., a Washington D.C.-based wire service, said Monday that Fischbach had agreed to sell a subsidiary and some land for about $17.2 million in cash and preferred stock.

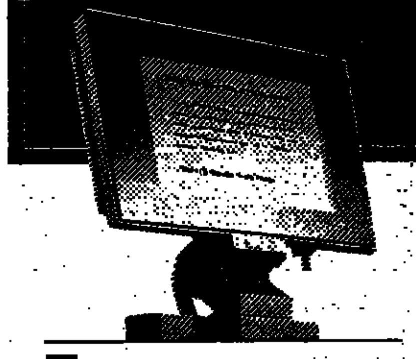
Alco Standard tacked on 1⅛ to 29⅞. Alco said its second-quarter income for 1989 jumped to 66 cents a share, from 49 cents a share in the year-ago period.

Among the blue chips, IBM dropped 1 to 112⅜, Procter & Gamble fell 1 to 96⅝, and General Motors eased ⅛ to 41⅛.

Prices closed lower in light trading on the American Stock Exchange.

The Amex Market Value index fell 0.62 to close at 344.66.

PHILIPS HAS PUT A LITTLE ART IN ITS SCIENCE



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12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

DAF Sets Price Range for Stock Sale

Up to $400 Million Will Be Raised Through Flotation

By Ronald van de Krol
Special to the Herald Tribune

EINDHOVEN, Netherlands — Next month's flotation of the Anglo-Dutch truckmaker DAF BV on the London and Amsterdam stock exchanges will raise as much as 850.7 million guilders ($399.8 million) for existing shareholders, making it the second-largest issue of new shares in Dutch corporate history, the lead manager said Tuesday.

Amsterdam-Rotterdam Bank said a total of 18.1 million shares, representing 63.6 percent of DAF's capital, would be offered to the public later this month at between 45 guilders and 47 guilders a share.

The definitive offer price will be announced May 24, with trading expected to begin in London and Amsterdam on June 5.

The price range is in line with forecasts. However, publication of the figures came only 24 hours after prices on the Amsterdam stock exchange fell sharply on fears that the Dutch center-right coalition government might collapse over a dispute on the financing of an environment plan.

Fop Hoogendijk, a member of Amro Bank's management board, told a press conference that the sudden weakness of the Dutch stock market had not led DAF or its shareholders to alter the price they wanted to seek for the shares.

"We met to consider the developments and came to the conclusion that it wouldn't influence our views on the price range," he said.

Based on the price range released Tuesday, the issue would yield 760.2 million to 850.7 million guilders, the second-biggest amount ever raised through a flotation of new shares in a Netherlands company, after the 1.3 billion-guilder partial privatization of the chemicals maker DSM NV earlier this year.

DAF's largest single shareholder is Rover Group PLC of Britain, which now holds 40 percent. The remainder is held by Dutch investors, including the holding company VADO Houdstermaatschappij BV, DSM, the Van Doorne family, and Amro Bank. After the flotation, Rover's stake in DAF would fall to 16 percent.

Last year, DAF's net profit more than doubled, to 147.2 million guilders, while sales jumped 38 percent, to 5.2 billion guilders.

Analysts said the stock was likely to attract healthy demand. John van Oudenhoven, an analyst at Banque Paribas Nederland NV, predicted that the shares would trade in the upper end of the indicated price range when unofficial trading begins Wednesday.

"The prospects for the truck market are looking good, and the success here of the recent DSM issue will also help the DAF offering," he said.

Haddo Meijer, DAF's finance director, said the company aimed to pay a dividend of 2.50 guilders for 1989. The company has not previously paid a dividend. Analysts said the shares' expected dividend yield of about 5 percent would put them at the upper end of the range for Dutch shares.

The shares to be listed in London will be denominated in guilders, not pounds, Wilco Jiskoot, director-general of capital markets at Amro Bank, said the decision had been made to avoid arbitrage.

Bond's Credit Rating Cut

Compiled by Our Staff From Dispatches

SYDNEY — The credit rating of Alan Bond's flagship company, Bond Corp. Holdings Ltd., has been downgraded for the second time in seven months, a major rating agency said Tuesday.

Australian Ratings Proprietary Ltd. said it decided last week to downgrade Bond Corp. from a B rating to CCC, the lowest classification for a company that has not defaulted on its loans, because of uncertainties about future funding.

The managing director of Bond Corp., Peter Beckwith, said he was astonished by the move. He said the company had not been contacted by the agency before being downgraded.

The managing director of Australian Ratings, Jeff Patterson, said the cut from a B rating reflected his company's opinion of the damage to investor confidence caused by bad publicity and legal and ethical problems confronting Bond Corp. The ratings concern, which assesses the ability of companies to make promised payments on debt securities, said a number of events prompted its move.

Australian Ratings said that Bell Group Ltd. and Bell Resources Ltd. had also been cut from B to CCC.

Among reasons given for the new downgrading, the agency cited Bond Corp.'s inability to sell its 20 percent stake in Lourho PLC and Lourho's attack on Bond's financial viability. Other reasons were potentially damaging findings by the Australian Broadcasting Tribunal against Bond's suitability to hold 15 radio and television licenses, and negative media coverage.

(AFP, Reuters)

Chrysler's Quarterly Earnings Grow 91%

Compiled by Our Staff From Dispatches

DETROIT — Chrysler Corp. said Wednesday its first-quarter earnings rose 90.8 percent from the year-earlier period, to $351 million, or $1.50 a share, a surge it partly attributed to a richer product mix.

The automaker said it earnings compared with $184 million, or 83 cents per share, in the same period last year, when profit was hurt by the closing of some parts plants. That quarter included a provision of $93 million, or 42 cents a share, for the closings.

Chrysler's profit came on first-quarter revenue of $9.95 billion, up 16.2 percent from its first-quarter sales last year.

The company said its improved product mix, led by the new Plymouth Acclaim and Dodge Spirit models, spurred the improvement. It also cited growing demand for its new New Yorker and Dynasty cars, continued strong sales of minivans and Jeeps, and increased attention to internal cost management.

The automaker's quarterly earnings of $1.50 a share were within industry analysts' estimated range of $1.35 to $1.60.

Lee A. Iacocca, the company's chairman, said Chrysler's share of the car market slipped during the first quarter. But it maintained a strong presence in the light truck market, especially in the minivan segment, where Chrysler makes about half of such vehicles sold in the United States.

Last month, General Motors Corp. reported its first-quarter earnings rose 42.2 percent, to $1.55 billion, or $2.37 per share, over last year.

Chrysler said it countered sluggish industry sales with a new incentive program announced at the close of the first quarter.

Chrysler, whose earnings have been hit hard in the past by incentive costs, was the last of the Big Three to participate in the latest round, offering free financing on two-year loans for all of its cars and some trucks. GM and Ford offer interest as low as 2.9 percent.

Much of the cost of those incentives will show up on the Big Three's second-quarter profit statements.

Mr. Iacocca said the company benefited from sales of the Dodge Spirit and Plymouth Acclaim, which replaced its compact K-series cars, and in the more-expensive models. Also during the quarter, Chrysler began two shifts of production at its Newark, Delaware, plant, which makes the Spirit-Acclaim line.

Meantime, Chrysler Financial Corp., the automaker's financing arm, said it earned $65 million during the first quarter, the same as during the first three months of 1988.

The subsidiary's automotive lending operation, Chrysler Credit, reported the number of new and used vehicles it financed rose 11.4 percent during the first quarter from the same period last year.

(Reuters, AP)

DSM Cites Plastic Demand For Strong Profit Advance

Reuters

HEERLEN, Netherlands — DSM NV, the chemicals maker being privatized by the Dutch government, said Tuesday that strong demand for plastics helped it nearly double its net income in the first quarter.

In its first quarterly report since a third of the company was sold to the public in February, DSM said its net profit was a stronger-than-expected 297 million guilders ($139.6 million) in the first quarter, 98 percent higher than the 150 million earned in the first three months of 1988.

Sales rose 12.6 percent, to 2.77 billion guilders from 2.46 billion, and pretax operating profit was up 28.6 percent, to 423 million guilders from 329 million.

The results were far above analysts forecasts, which called for net income of about 200 million guilders, and DSM stock rose 6.80 guilders, to 129.40 guilders, after the report. Another third of the company's equity is to be sold to the public in September.

The company attributed some of the rise in net profit to an absence of extraordinary items, compared with a loss of 50 million guilders in the 1988 period that was mostly caused by restructuring in agriculture.

Also, a reduction in Dutch corporate taxes last year allowed the company to cut its tax set-aside in the first quarter.

Arthur Spierts, a DSM spokesman, said the operating-profit gain was mainly due to strong demand for plastics.

Mr. Spierts also noted agricultural business, mainly fertilizers, was helped by an early start to the planting season because of a warm winter in Western Europe.

DSM said it expected 1989 annual profit to be significantly higher than the 622 million guilders of 1988. But the company said the recent oil price rise and its possible impact on raw materials present uncertainties and that the first-quarter growth should not be taken as an indication of the full-year rate.

Western Union Prepares for Crucial Test in Bond Market

By Floyd Norris
New York Times Service

NEW YORK — A year and a half after a major restructuring, Western Union Corp. is facing a crucial test: It must convince bondholders it is moving toward financial health or it will be forced to increase interest payments to them, which could cripple the company.

The moment of truth will come next month, when two investment banking firms are to determine what interest rate Western Union will pay on a $500 million bond issue, its largest class of debt securities.

The rate is to be reset on June 15 to allow the bonds to trade slightly above face value. On the New York Stock Exchange, they currently are quoted at about 91 percent.

Two investment banks to be chosen by the company are to calculate what interest rate the bonds must pay to boost their trading price to 101 percent of face value. It is not clear how high that would be, but at the current interest rate of 16.5 percent and the 91 price, the yield for an investor buying the bonds now and holding them to maturity on Dec. 15, 1992, is more than 20 percent.

To boost the trading price to 101 could require interest rates of that level. A 20 percent rate would increase the company's annual interest cost by $17.5 million.

Thus, the resetting of Western Union's rate is likely to mean a substantial increase in interest expense, and it would come at a time when telex revenue is falling more rapidly than income can rise from other services.

"It's like a Catch-22," said one money manager who owns some of the bonds. "In 1990, I think the company will generate enough cash flow to cover interest expense, as long as they don't have to raise the rate. But it looks like they will have to raise the rate, and they may not be able to generate enough cash flow for that rate."

Western Union said it has not yet chosen the investment banking firms that will make the choice. One is expected to be Drexel Burnham Lambert Inc., which underwrote the bond issue as part of the company's restructuring in December 1987.

That restructuring, which involved losses for holders of bonds and preferred stock, left the investor Bennett S. LeBow firmly in control of the company. Since then, Western Union has embarked on a drive to sell many of its tangible assets, such as transmission facilities, in order to focus on a small number of businesses. Henceforth, while it will still send telegrams and such, it will use lines it leases, rather than ones it owns.

Telex, historically Western Union's best business, is a cash cow that may be on its last legs as businesses switch to telephone facsimile machines. Telex revenue fell 29 percent last year, to $250 million, and is expected to fall 33 percent this year.

To offset that drop, the company is pushing electronic mail, attempting to provide more services to travel agents, such as the delivery of prepaid tickets nationwide, and "supplying financial services to individuals who do not have bank relationships," Robert J. Amman, the company's president, has said. "Our vision is that a consumer will come to a Western Union outlet to cash his or her paycheck, pay bills, send money and handle all associated transactions," he said.

ITO Acquiring Legal Publisher

Reuters

TORONTO — International Thomson Organization, an information and publishing company, said Tuesday that it had agreed to buy Lawyers Co-operative Publishing Co. of Rochester, New York, for $810 million.

Lawyers Co-op publishes print and electronic legal, tax and business-law research products. It had 1988 revenue of about $200 million.

ITO has units in North America and Britain. Kenneth R. Thomson, its chairman, said in March he would seek to merge it with Thomson Newspapers Ltd., of which he also is chairman, in part to facilitate acquisitions.

Kodak Has Sharp Earnings Decline

Compiled by Our Staff From Dispatches

ROCHESTER, New York — Eastman Kodak Co. reported Tuesday a 23.1 percent drop in first-quarter net earnings despite record sales, and it said it would move out of certain nonstrategic businesses and focus on its core areas.

Net earnings dropped to $200 million from $260 million in the first quarter of last year, the company said. Sales, however, rose to $3.9 billion, compared with $3.3 billion in the similar period last year.

Kodak shares plunged $3.375 Tuesday in response to the report, closing at $43.75 on the New York Stock Exchange.

The Kodak chairman, Colby H. Chandler, said the company would "exit nonstrategic businesses which do not increase shareholder value, focus even more intently on our core businesses, and intensify our cost-improvement programs."

"These actions will result in permanent cost savings of more than $200 million beginning in 1990," he added.

Kodak mainly attributed the decline in earnings to after-tax expenditures of about $62 million.

Earnings from operations in the quarter were essentially stable at $469 million, after a restated $471 million a year ago.

Mr. Chandler said, "The first quarter rarely provides good insight into performance expectations due to the seasonality of our business."

The figures included the quarterly results for the Sterling Drug unit. The prior-year period included Sterling results from Feb. 23, 1988, the effective date of its acquisition by Kodak.

Mr. Chandler said the year-to-year comparison was made difficult by the inclusion in the 1988 first quarter of a gain from the sale of property in France and robust sales of photography products at the end of last year, causing the forward movement of some sales.

In addition to the impact of inflation and unfavorable currency exchange rates, net earnings for the quarter were further restrained by $192 million in pretax interest expenses, compared with $92 million in the first quarter last year, the company said.

Mr. Chandler predicted that 1989 would be a year of record earnings.

(AFP, Reuters)

Pepsi Income Advanced 46% in First Quarter

The Associated Press

NEW YORK — PepsiCo reported on Tuesday a 45.7 percent surge in first-quarter income, to $165.1 million, reflecting strong results in all of the snack food, restaurant and soft drinks company's divisions.

It was the eighth straight quarter in which PepsiCo's earnings, excluding one-time gains and charges, have grown by 25 percent or more. Sales totaled $2.96 billion in the first quarter, up 19.4 percent from $2.48 billion a year earlier.

FIGHTER: *General Dynamics Bets on F-16's Future*

(Continued from first finance page)

industry that would eventually take business and jobs from U.S. companies.

Congress has 30 days to act on the agreement after it is formally delivered by the White House. Mr. Bush is certain to veto a bill rejecting the accord and Congress would need a two-thirds majority in each of its chambers to override such a decision.

The F-16 program has been one of the most successful and profitable in U.S. military aviation. The military aircraft unit at General Dynamics, dominated by the F-16 program, contributed $3.4 billion in sales last year, up 6 percent from 1987.

A more significant barometer of the importance of the F-16 to the company was the unit's share of operating income last year — a commanding 61 percent, at $318 million.

"The F-16 is a phenomenal success," said Thomas L. McNaugher, military analyst at the Brookings Institution in Washington. "If it were not for the F-16, it is hard to see how we could have maintained an air force the size we did. It has been a windfall for General Dynamics."

Cutbacks in Pentagon spending seem certain to reduce orders from the air force, which is outlining plans for the $30 billion ATF, or advanced tactical fighter, which will eventually replace such powerful fighters as the F-15, made by McDonnell Douglas Corp.

Total deliveries of the F-16, which fell to 288 last year, peaked at 298 in 1987 after rising for several years. General Dynamics expects production of the plane to continue through the 1990s.

Some analysts doubt that the company will reach total production exceeding 5,000 planes.

John M. Diamantis, who follows aerospace companies for the Pershing division of Donaldson, Lufkin & Jenrette Inc. in New York, said that the F-16 would reap large profits for another three or four years. But he added that General Dynamics was unrealistic to expect 2,000 more orders.

Some European allies recently chose the F-18, made by McDonnell Douglas and priced at $28 million, over the F-16.

In addition, the U.S. Air Force is expected to trim orders to 150 a year for the next two years, down from 180 a year in the last four years.

But General Dynamics, which also makes submarines, missiles, tanks, and rocket engines at its other divisions, remains in the thick of military aircraft competition.

In addition to perhaps $3 billion in added revenue it would earn from the FSX, it shared a triumph last year with McDonnell Douglas in winning a U.S. Navy contract for the new A-12 attack plane. The Pentagon has not disclosed its projected output price for the plane, but design and development cost $4 billion.

General Dynamics also is among the leaders racing to capture a large share of the $30 billion that the air force plans to spend on the ATF.

And it has teamed up with several military suppliers in designing the X-30, an aircraft that would be able to orbit Earth and would use a conventional runway for takeoffs and landings.

The A-12 and the ATF are considered General Dynamics' most potentially lucrative programs.

The company also is working with Boeing Co. and Lockheed Corp. to develop an aircraft expected to cost $35 million each. The plane, to be build of lightweight materials, is to have improved radar for night flying and advanced electronics.

Competing for that contract, which the air force is expected to award next year, is McDonnell Douglas Corp. and Northrop Corp.

Analysts said General Dynamics' commitment to the high-stakes contest took a toll on its profit last year. The company increased capital spending by 42 percent, to $496 million, double the outlay in 1984.

Sales improved slightly, to $9.6 billion, compared with $9.4 billion, while operating income declined for the first time since 1981.

Net income fell 13.3 percent, to $379 million, or $9.03 a share, from $437 million, or $10.26 a share, in 1987.

The F-16 Tally

SALES AND ORDERS*	
U.S. Air Force	1,059
U.S. Navy	26
Belgium	160
Denmark	70
The Netherlands	214
Norway	74
Israel	210
Egypt	121
Pakistan	51
Venezuela	24
Korea	36
Turkey	160
Greece	40
Thailand	18
Singapore	8
Indonesia	12
Bahrain	12
Total	3,095

*Through Dec. 31
Source: Company reports

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De Beers
Proud of our past. Committed to the future.

Five points from the Chairman, Julian Ogilvie Thompson's 1988 Statement

1 Our Centenary year was marked by record sales of diamond jewellery underpinned by vigorous economic growth and the continuing expansion of our market promotion and trade liaison activities. With CSO sales of rough diamonds increasing by 35 per cent our profits were double the previous year's and the dividend was raised by 82 per cent.

2 We go forward into our second century financially and technically even better equipped to face the challenges that lie ahead and so preserve and sustain the well-being of the diamond industry worldwide.

3 De Beers is a truly international company. Most of our profits are earned outside South Africa from our diamond and other investments and our trading business worldwide. We look forward to another satisfactory year.

4 De Beers is committed to play its part in the development of Southern Africa. The investment programme includes three new mines in Namibia, a major new diamond plant in Botswana, participation in that country's £212 million soda ash project and provision for a major new diamond mine in South Africa. It sealed its partnership with the western world's most important diamond producer by welcoming two Batswana directors to the board.

5 De Beers is committed to education and social development in South Africa and to promoting peaceful change. The path to a stable, democratic future lies in increasing prosperity. 8,000 employees now participate through share ownership in the wealth-creating process and the company's success. Under its merit-based manning programme steady progress is being made in black advancement.

The full Chairman's Statement is contained in the Annual Report of the Company for the year ended 31st December 1988 which has been posted to Shareholders.

De Beers Consolidated Mines Limited
(Incorporated in the Republic of South Africa)
London Office 40 Holborn Viaduct
London EC1P 1AJ

De Beers

U.S. Futures

Via The Associated Press

May 2

Grains

Season High	Season Low		Open	High	Low	Close	Chg.
WHEAT (CBT) 5,000 bu minimum- dollars per bushel							
4.45	3.30	May	4.24	4.30	4.24	4.26½	+.02¾
4.22	3.27	Jul	4.12	4.14½	4.10½	4.12½	+.02½
4.29	3.50½	Sep	4.19	4.21¾	4.17¾	4.20¼	+.03
4.40½	3.78	Dec	4.30	4.34	4.30	4.32¼	+.02¾
4.43	4.03½	Mar	4.37½	4.40	4.36½	4.38½	+.02
4.32	4.03½	May	4.28½	4.29	4.26½	4.28	+.01½
Est. Sales	Prev. Sales 12,851						
Prev. Day Open Int. 59,250 up 120							
CORN (CBT) 5,000 bu minimum- dollars per bushel							
3.69	2.07½	May	2.73½	2.74½	2.72½	2.73½	—.00½
3.60	2.33	Jul	2.72¾	2.75	2.72¾	2.74	—.00¾
3.17¾	2.45	Sep	2.65½	2.66¾	2.64½	2.65	—.01¾
2.95	2.35	Dec	2.64¼	2.65	2.62¼	2.63¼	—.02¼
2.86½	2.57½	Mar	2.70¼	2.71	2.68½	2.69½	—.02½
2.89½	2.60	May	2.71¾	2.71¾	2.70½	2.71¼	—.02
2.84	2.61½	Jul	2.74½	2.75	2.72½	2.73¼	—.02
Est. Sales	Prev. Sales 41,426						
Prev. Day Open Int. 165,148 off 4,102							
SOYBEANS (CBT) 5,000 bu minimum- dollars per bushel							
10.03	6.48½	May	7.32½	7.36	7.31	7.34	—.01¼
9.86	7.15	Jul	7.41	7.43½	7.37	7.41	—.03½
9.51	7.12¾	Aug	7.40	7.41½	7.35¾	7.40¼	—.02¼
8.35	6.95¼	Sep	7.26½	7.28½	7.23	7.26¾	—.03¼
7.93	6.63	Nov	7.20	7.21½	7.15	7.19¼	—.04¼
7.67	6.84	Jan	7.27	7.29½	7.24½	7.27½	—.03¼
7.74	7.00	Mar	7.36½	7.38	7.33½	7.36	—.03
7.78	7.11	May	7.44	7.44	7.38½	7.41	—.05
Est. Sales	Prev. Sales 50,058						
Prev. Day Open Int. 97,596 off 275							
SOYBEAN MEAL (CBT) 100 tons- dollars per ton							
304.00	200.50	May	223.00	224.00	220.50	222.40	—1.60
300.00	215.50	Jul	223.20	224.00	220.40	222.90	—.70
298.00	214.00	Aug	222.00	222.50	219.00	222.20	+.30
286.00	210.50	Sep	219.00	219.50	216.10	219.20	+.30
280.00	203.00	Oct	216.00	216.00	213.00	216.00	+.50
260.00	199.50	Dec	214.00	214.50	212.00	214.50	+.50
230.00	207.00	Jan	214.00	214.50	212.00	214.50	+.80
249.20	208.00	Mar	213.50	213.80	212.00	213.70	—.30
230.50	208.50	May	212.50	212.50	212.50	214.00	+.50
Est. Sales	Prev. Sales 21,916						
Prev. Day Open Int. 58,614 up 1,495							
SOYBEAN OIL (CBT) 60,000 lbs- dollars per 100 lbs.							
33.00	21.56	May	23.12	23.33	23.02	23.26	+.09
32.50	22.08	Jul	23.60	23.90	23.55	23.78	+.09
32.05	22.30	Aug	23.88	24.14	23.82	24.03	+.09
29.50	22.49	Sep	24.20	24.40	24.05	24.20	+.08
28.80	22.60	Oct	24.40	24.40	24.30	24.42	—.01
28.05	22.80	Dec	24.80	24.99	24.65	24.76	—.10
25.45	23.20	Jan	25.10	25.10	24.85	24.87	—.10
25.60	23.40	Mar	25.25	25.33	25.25	25.35	—.15
25.70	24.35	May				25.42	—.15
25.60	24.35	Jul	25.45	25.45	25.45	25.42	—.15
Est. Sales	Prev. Sales 20,987						
Prev. Day Open Int. 72,986 off 2,153							

Livestock

Season High	Season Low		Open	High	Low	Close	Chg.
CATTLE (CME) 40,000 lbs.- cents per lb.							
75.90	68.60	Jun	71.67	72.17	71.65	72.05	+.60
73.80	65.00	Aug	68.05	68.32	67.95	68.27	+.42
73.15	67.75	Sep	68.80	68.80	68.60	68.60	+.20
74.11	68.20	Oct	69.40	69.65	69.35	69.50	+.28
73.95	62.00	Dec	70.50	70.65	70.35	70.62	+.27
73.60	69.90	Feb	70.85	71.25	70.80	71.25	+.38
74.00	71.00	Apr	71.97	72.15	71.95	72.15	+.18
Est. Sales 12,290	Prev. Sales 6,011						
Prev. Day Open Int. 29,659 off 52,114							
FEEDER CATTLE (CME) 44,000 lbs.- cents per lb.							
84.15	75.12	May	76.55	76.85	76.35	76.72	+.42
83.30	75.65	Aug	76.55	77.10	76.55	76.85	+.43
83.10	75.50	Sep	76.50	76.90	76.50	76.90	+.65
83.00	75.90	Oct	76.50	77.07	76.50	77.00	+.55
83.50	76.60	Nov	77.50	77.80	77.45	77.70	+.30
83.75	77.30	Jan	78.00	78.15	78.00	78.15	+.40
78.75	77.75	Mar				77.95	
Est. Sales 1,246	Prev. Sales 1,250						
Prev. Day Open Int. 13,221 off 1,039							
HOGS (CME) 30,000 lbs.- cents per lb.							
56.25	42.50	Jun	47.30	47.50	47.15	47.42	+.50
56.00	45.20	Jul	48.02	48.42	48.02	48.30	+.58
51.00	43.25	Aug	46.30	46.85	46.30	46.82	+.62
47.00	40.80	Oct	43.20	43.70	43.20	43.67	+.55
47.25	38.75	Dec	44.90	45.25	44.90	45.15	+.35
47.20	43.70	Feb	46.20	46.25	46.17	46.25	+.08
45.10	42.77	Apr	44.90	44.90	44.90	44.90	
47.70	46.80	Jun	47.50	47.50	47.50	47.50	+.15
Est. Sales 6,715	Prev. Sales						
Prev. Day Open Int.							

Season High	Season Low		Open	High	Low	Close	Chg.
PORK BELLIES (CME) 40,000 lbs.- cents per lb.							
64.75	30.70	May	31.00	31.97	30.95	31.75	+.88
64.50	30.70	Jul	30.97	32.10	30.95	31.62	+.80
58.20	30.45	Aug	30.65	31.70	30.60	31.30	+.70
61.60	42.80	Feb	46.55	47.00	46.20	46.72	+.10
60.00	42.00	Mar	46.00	46.00	46.00	46.10	+.10
60.90	47.10	May				47.25	
60.90	47.15	Jul	47.80	47.80	47.80	47.80	—.20
55.80	46.10	Aug	46.25	46.25	46.25	46.25	—.25
Est. Sales 3,656	Prev. Sales 3,729						
Prev. Day Open Int. 24,192 off 580							

Food

Season High	Season Low		Open	High	Low	Close	Chg.
COFFEE C (NYCSCE) 37,500 lbs.- cents per lb.							
159.20	112.13	May	134.00	135.10	133.60	134.00	+1.05
155.25	114.00	Jul	126.25	128.10	125.85	126.20	+.76
152.90	114.00	Sep	120.90	122.80	120.75	121.14	+.93
149.50	114.75	Dec	117.60	119.25	117.60	117.60	+.52
146.00	114.75	Mar	117.00	117.50	116.00	116.00	—.53
125.50	116.00	May	117.00	117.75	117.00	117.05	+.38
132.25	115.00	Jul				117.25	—.75
120.00	117.50	Sep	117.00	117.00	117.00	116.75	—.75
Est. Sales 5,220	Prev. Sales 4,823						
Prev. Day Open Int. 25,006							
SUGAR WORLD 11 (NYCSCE) 112,000 lbs.- cents per lb.							
13.40	8.10	Jul	12.35	12.35	12.02	12.13	—.06
13.30	8.45	Oct	12.24	12.25	11.98	12.09	—.19
12.20	8.00	Jan	11.50	11.50	11.50	11.64	—.19
12.02	8.75	Mar	11.89	11.90	11.66	11.76	+.02
11.98	9.20	May	11.85	11.85	11.66	11.75	+.04
12.60	10.68	Jul				11.68	—.02
		Oct				11.65	—.23
Est. Sales	Prev. Sales 44,783						
Prev. Day Open Int. 134,867							
COCOA (NYCSCE) 10 metric tons- $ per ton							
2088	1152	May	1245	1282	1245	1277	+27
1895	1175	Jul	1210	1234	1208	1230	+12
1850	1200	Sep	1217	1229	1215	1229	+8
1735	1209	Dec	1223	1231	1219	1230	+7
1535	1208	Mar	1225	1235	1220	1235	+4
1465	1215	May	1230	1243	1227	1243	+1
1335	1238	Jul	1250	1256	1240	1258	—5
1280	1270	Sep	1270	1270	1270	1280	+4
Est. Sales 4,099	Prev. Sales 1,127						
Prev. Day Open Int. 39,217							
ORANGE JUICE (NYCE) 15,000 lbs.- cents per lb.							
181.40	132.00	May	180.80	186.00	180.80	185.45	+4.30
185.50	132.00	Jul	185.10	188.95	185.00	188.30	+3.00
180.85	132.00	Sep	180.60	184.00	180.60	182.00	+2.15
171.00	129.00	Nov	171.00	171.90	171.00	171.70	+1.35
167.50	127.50	Jan	166.55	167.00	166.00	167.00	+.45
160.25	127.75	Mar	166.15	166.25	165.75	166.45	+.40
160.50	151.00	May				166.25	+.50
		Jul				166.25	+.50
160.00	160.00	Sep				166.25	+.50
Est. Sales 2,000	Prev. Sales						
Prev. Day Open Int.							

Metals

Season High	Season Low		Open	High	Low	Close	Chg.
COPPER (COMEX) 25,000 lbs.- cents per lb.							
146.00	73.15	May	134.65	135.00	131.10	131.25	—5.40
137.70	135.00	Jun				129.35	—4.75
138.50	73.70	Jul	130.00	130.10	127.10	127.40	—4.90
131.50	76.00	Sep	126.50	126.50	122.50	123.80	—3.70
126.00	77.45	Dec	120.00	121.30	120.00	120.00	—2.70
Est. Sales 8,000	Prev. Sales 5,515						
Prev. Day Open Int.							
ALUMINUM (COMEX) 40,000 lbs.- cents per lb.							
109.00	83.50	May				96.75	—.25
		Jun				97.00	—.75
104.00	83.00	Jul				97.25	—1.25
104.00	82.50	Sep				94.25	—1.25
98.50	82.50	Dec				91.25	—1.25
82.50	82.50	Jan				89.25	—1.25
		Mar				89.25	—1.25
		May				89.25	—1.25
95.50	95.50	Jul				89.25	—1.25
		Sep				89.25	—1.25
		Dec				89.25	—1.25
		Jan				89.25	—1.25
Est. Sales	Prev. Sales 4						
Prev. Day Open Int.							
SILVER (COMEX) 5,000 troy oz.- cents per troy oz.							
965.0	557.0	May	564.5	567.0	560.5	561.7	—2.9
589.0	568.9	Jun	570.0	570.0	570.0	566.4	—3.2
985.0	567.5	Jul	575.0	577.0	570.5	571.8	—3.2
861.0	578.0	Sep	586.0	586.5	581.1	582.1	—3.2
886.0	592.5	Dec	601.0	602.0	596.1	596.8	—3.2
915.0	629.0	Jan				601.5	—3.2
910.0	608.0	Mar	613.0	613.0	612.0	611.3	—3.2
910.0	618.0	May	624.5	624.5	624.5	621.4	—3.2
761.5	630.0	Jul	635.0	635.0	635.0	631.6	—3.2
760.0	639.0	Sep				642.2	—3.2
742.0	657.0	Dec	660.0	660.0	660.0	657.1	—3.2
688.0	688.0	Jan				662.4	—3.2
		Mar				672.1	—3.2
Est. Sales 11,000	Prev. Sales 11,279						
Prev. Day Open Int.							
PLATINUM (NYME) 50 troy oz.- dollars per troy oz.							
647.50	501.00	Jul	539.50	541.80	537.00	540.30	+3.00
609.00	505.00	Oct	536.50	538.50	536.00	537.80	+3.00
601.50	512.00	Jan	539.00	539.00	535.00	538.30	+3.00
557.50	517.00	Apr				540.30	+3.00
Est. Sales	Prev. Sales 4,294						
Prev. Day Open Int. 18,124							
PALLADIUM (NYME) 100 troy oz- dollars per oz							
155.00	154.50	May	157.50	157.50	157.50	157.80	+2.15
184.00	114.00	Jun	156.50	157.00	153.75	155.30	+.65
180.00	116.00	Sep	154.00	156.00	151.50	152.80	+.65
177.50	120.50	Dec	150.50	153.00	150.00	150.30	+.15
176.00	123.00	Mar	148.50	149.50	147.50	147.80	—.35
175.00	146.00	Jun	147.00	148.50	147.00	146.80	—.35
Est. Sales	Prev. Sales 2,738						
Prev. Day Open Int. 9,574							
GOLD (COMEX) 100 troy oz.- dollars per troy oz.							
384.30	377.50	May	378.00	378.00	376.50	377.80	—.40
570.00	377.50	Jun	380.50	381.20	379.10	380.10	—.60
		Jul				382.30	—.60
575.00	381.80	Aug	384.80	385.30	383.70	384.60	—.50
575.50	387.50	Oct	390.00	390.50	389.00	389.30	—.60
514.50	391.50	Dec	394.60	395.20	393.70	394.40	—.80
516.00	398.00	Feb	398.70	400.00	398.70	399.30	—.90
525.80	403.50	Apr	404.00	404.00	403.80	404.30	—1.00
497.00	408.50	Jun	409.50	409.50	409.50	409.30	—1.10
487.00	414.00	Aug	414.50	414.50	414.50	414.30	—1.20
472.00	435.50	Oct				419.50	—1.30
455.50	424.00	Dec	426.00	426.00	426.00	424.60	—1.50
450.00	428.00	Feb	430.00	430.00	430.00	429.70	—1.70
Est. Sales 34,000	Prev. Sales 1,938						
Prev. Day Open Int.							

Financial

Season High	Season Low		Open	High	Low	Close	Chg.
US T. BILLS (IMM) $1 million- pts of 100 pct.							
93.48	90.48	Jun	91.48	91.56	91.47	91.55	+.06
93.13	90.41	Sep	91.47	91.61	91.47	91.61	+.13
92.71	90.50	Dec	91.46	91.57	91.46	91.56	+.12
92.69	90.75	Mar	91.69	91.69	91.69	91.78	+.12
92.60	91.10	Jun	91.69	91.69	91.69	91.79	+.07
92.04	91.28	Sep	91.62	91.62	91.62	91.71	+.09
Est. Sales 3,476	Prev. Sales 2,679						
Prev. Day Open Int. 20,186 off 176							
10 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct							
95-6	89-9	Jun	92-31	93-10	92-29	93-10	+11
94	89-13	Sep	93-4	93-13	93-4	93-13	+11
93-31	91-17	Dec	93-7	93-14	93-6	93-16	+12
Est. Sales	Prev. Sales 11,832						
Prev. Day Open Int. 86,837 up 1,142							
US TREASURY BONDS (CBT) (8 pct-$100,000-pts & 32nds of 100 pct)							
94-4	73-11	Jun	89-12	89-27	89-8	89-26	+15
93-16	72-26	Sep	89-10	89-24	89-7	89-24	+15
92-22	72-18	Dec	89-7	89-22	89-6	89-22	+15
91-10	72-1	Mar	89-9	89-19	89-9	89-19	+14
91-8	75	Jun	89-4	89-16	89-4	89-16	+13
91-5	79-1	Sep	89	89-12	89	89-12	+13
91-2	80	Dec	88-27	89-7	88-27	89-7	+13
90-15	79-21	Mar				89-2	+13
90-28	82-18	Jun				88-29	+13
90-5	86-4	Sep				88-23	+12
		Dec				88-17	+12
Est. Sales	Prev. Sales 131,689						
Prev. Day Open Int. 330,529 up 3,530							
MUNICIPAL BONDS (CBT) $1000x index-pts & 32nds of 100 pct							
92-4	77-6	Jun	91-7	91-18	91-7	91-17	+11
91-8	78-6	Sep	90-17	90-23	90-17	90-23	+11
90-21	81-10	Dec	89-28	89-31	89-28	89-31	+10
90-14	85-19	Mar	89-10	89-12	89-7	89-12	+9
89-14	87-2	Jun				88-29	+8
Est. Sales	Prev. Sales 2,728						
Prev. Day Open Int. 11,821 up 66							

Season High	Season Low		Open	High	Low	Close	Chg.
EURODOLLARS (IMM) $1 million- pts of 100 pct.							
92.12	88.76	Jun	89.94	90.05	89.93	90.04	+.12
91.92	88.70	Sep	89.98	90.11	89.97	90.10	+.15
91.76	88.84	Dec	89.96	90.08	89.96	90.07	+.14
91.62	88.90	Mar	90.21	90.32	90.21	90.31	+.12
91.50	88.82	Jun	90.31	90.38	90.31	90.38	+.10
91.48	88.74	Sep	90.32	90.39	90.33	90.39	+.09
91.31	89.85	Dec	90.28	90.32	90.28	90.32	+.08
91.06	89.96	Mar	90.37	90.42	90.37	90.42	+.08
90.96	89.91	Jun	90.40	90.44	90.39	90.44	+.08
90.92	90.04	Sep	90.40	90.44	90.40	90.44	+.08
90.77	90.04	Dec	90.38	90.43	90.37	90.42	+.08
90.58	90.09	Mar	90.47	90.47	90.45	90.47	+.08
Est. Sales 134,555	Prev. Sales 129,481						
Prev. Day Open Int. 749,520 off 672							
BRITISH POUND (IMM) $ per pound- 1 point equals $0.0001							
1.8370	1.6200	Jun	1.6760	1.6802	1.6752	1.6756	+26
1.7754	1.6580	Sep	1.6624	1.6644	1.6624	1.6638	+24
1.7400	1.6502	Dec	1.6596	1.6596	1.6550	1.6558	+24
1.6750	1.6350	Jun				1.6376	+26
Est. Sales	Prev. Sales 6,130						
Prev. Day Open Int. 18,056 off 40							
CANADIAN DOLLAR (IMM) $ per dlr- 1 point equals $0.0001							
.8435	.7470	Jun	.8419	.8440	.8415	.8436	+34
.8385	.7940	Sep	.8376	.8396	.8373	.8394	+33
.8370	.7920	Dec	.8341	.8350	.8341	.8354	+32
.8310	.7890	Mar				.8283	
.8270	.8193	Jun				.8274	+30
Est. Sales	Prev. Sales 2,501						
Prev. Day Open Int. 22,341 off 526							
FRENCH FRANC (IMM) $ per franc- 1 point equals $0.00001							
.16170	.15635	Jun				.15685	+20
.16050	.15735	Sep	.15730	.15730	.15730	.15730	—5
.16105	.15805	Dec	.15745	.15745	.15745	.15745	—60
Est. Sales	Prev. Sales						
Prev. Day Open Int.							
GERMAN MARK (IMM) $ per mark- 1 point equals $0.0001							
.5975	.5296	Jun	.5318	.5330	[illegible]	.5312	
.5977	.5346	Sep	.5356	[illegible]	[illegible]	.5353	
.5825	.5394	Dec	.5412	.5415	.5394	.5395	
Est. Sales	Prev. Sales 22,376						
Prev. Day Open Int. 52,875 up 2,168							
JAPANESE YEN (IMM) $ per yen- 1 point equals $0.000001							
.008485	.007500	Jun	.007509	.007524	.007498	.007500	—11
.008580	.007593	Sep	.007598	.007607	.007588	.007589	—12
.008650	.007682	Dec	.007686	.007700	.007680	.007677	—13
.008338	.007775	Mar	.007767	.007767	.007767	.007764	—14
Est. Sales	Prev. Sales 23,954						
Prev. Day Open Int. 54,655 up 2,650							
SWISS FRANC (IMM) $ per franc- 1 point equals $0.0001							
.7130	.5940	Jun	.5961	.5987	.5961	.5966	+12
.7210	.5986	Sep	.6008	.6022	.6007	.6011	+13
.6592	.6036	Dec	.6071	.6075	.6060	.6060	+10
Est. Sales	Prev. Sales 21,676						
Prev. Day Open Int. 36,651 up 2,203							

Industrials

Season High	Season Low		Open	High	Low	Close	Chg.
LUMBER (CME) 150,000 bd. ft.- $ per 1,000 bd. ft.							
194.50	170.10	May	174.30	176.60	174.10	176.50	+2.20
196.00	167.10	Jul	178.70	180.90	178.70	180.80	+2.40
194.70	175.10	Sep	180.60	183.50	180.60	183.10	+2.60
190.60	176.30	Nov	179.00	180.90	179.00	180.70	+1.70
192.00	181.20	Jan	184.50	184.50	184.50	185.80	+1.80
191.80	185.00	Mar	187.40	189.00	187.00	189.30	+2.10
192.20	188.00	May	190.20	192.80	190.00	192.80	+2.30
Est. Sales 1,610	Prev. Sales 1,710						
Prev. Day Open Int. 7,701 off 176							
COTTON 2 (NYCE) 50,000 lbs.- cents per lb.							
68.70	49.03	May	64.15	65.00	64.00	65.00	+1.14
68.50	49.26	Jul	64.50	65.70	64.50	65.48	+1.08
66.45	50.35	Oct	65.55	66.30	65.42	66.10	+.68
65.81	50.75	Dec	65.50	66.10	65.50	65.96	+.66
68.30	53.60	Mar	66.30	66.50	66.20	66.37	+.42
66.52	55.90	May				66.78	+.53
66.90	63.70	Jul				66.88	+.35
		Oct				67.00	+.35
Est. Sales 7,000	Prev. Sales 6,453						
Prev. Day Open Int. 36,362							
HEATING OIL (NYME) 42,000 gal- cents per gal							
54.75	.05	Jun	49.00	49.10	47.55	47.75	—1.71
53.80	34.75	Jul	48.30	48.35	46.95	47.15	—1.65
54.00	35.45	Aug	48.75	48.80	47.45	47.60	—1.55
54.50	36.25	Sep	49.35	49.35	48.15	48.15	—1.60
54.90	37.20	Oct	50.00	50.00	48.90	48.90	—1.45
55.50	38.00	Nov	50.40	50.40	49.75	49.80	—1.15
56.05	39.00	Dec	51.25	51.30	50.40	50.40	—1.15
53.00	46.60	Jan	51.25	51.25	51.25	51.25	—.55
Est. Sales	Prev. Sales 12,715						
Prev. Day Open Int. 52,236							
CRUDE OIL (NYME) 1,000 bbl.- dollars per bbl.							
21.60	12.60	Jun	20.46	20.48	19.78	19.80	—.86
20.25	12.65	Jul	19.22	19.30	18.70	18.70	—.75
19.63	12.60	Aug	18.72	18.78	18.10	18.20	—.68
19.28	12.68	Sep	18.42	18.46	17.85	17.85	—.67
18.93	12.75	Oct	18.15	18.28	17.75	17.75	—.51
18.67	15.00	Nov	18.00	18.02	17.65	17.72	—.32
56.20	13.40	Dec	17.85	17.85	17.49	17.52	—.33
18.10	15.67	Jan	17.61	17.61	17.40	17.46	—.19
17.95	15.74	Feb	17.52	17.52	17.28	17.32	—.20
17.80	16.10	Mar	17.40	17.40	17.18	17.18	—.23
17.65	16.30	Apr	17.10	17.15	17.12	17.15	—.15
17.50	16.20	May	17.02	17.15	17.01	17.15	—.04
17.05	16.60	Jun	16.92	17.08	16.92	17.07	—.01
Est. Sales	Prev. Sales 60,324						
Prev. Day Open Int. 240,688							

Stock Indexes

Season High	Season Low		Open	High	Low	Close	Chg.
SP COMP. INDEX (CME) points and cents							
313.10	263.80	Jun	311.80	312.75	309.30	309.40	—2.15
317.70	271.50	Sep	316.30	316.90	313.90	313.95	—2.15
321.00	298.90	Dec	320.60	320.60	318.70	318.45	—2.15
Est. Sales	Prev. Sales 27,519						
Prev. Day Open Int. 136,668 up 487							
VALUE LINE (KCBT) points and cents							
277.45	245.70	Jun	277.60	278.20	275.60	275.65	—1.70
281.30	266.20	Sep	286.00	286.00	286.00	280.05	—1.50
283.30	271.00	Dec				284.05	—1.50
280.50	280.00	Mar				288.05	—1.50
Est. Sales	Prev. Sales 112						
Prev. Day Open Int. 1,325							
NYSE COMP. INDEX (NYFE) points and cents							
175.30	149.60	Jun	176.50	174.95	173.00	173.10	—1.25
177.30	153.00	Sep	176.75	177.30	175.35	175.45	—1.30
179.75	161.10	Dec	179.00	179.00	179.00	177.85	—1.35
177.25	170.20	Mar				180.25	—1.40
Est. Sales	Prev. Sales 4,850						
Prev. Day Open Int. 8,062							

Commodity Indexes

	Close	Previous
Moody's	1,105.90 f	1,096.60 f
Reuters	2,011.20	2,018.60
D.J. Futures	137.01	137.08
Com. Research	240.96	241.29

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

Market Guide

CBT:	Chicago Board of Trade
CME:	Chicago Mercantile Exchange
IMM:	International Monetary Market Of Chicago Mercantile Exchange
NYCSCE:	New York Cocoa, Sugar, Coffee Exchange
NYCE:	New York Cotton Exchange
COMEX:	Commodity Exchange, New York
NYME:	New York Mercantile Exchange
KCBT:	Kansas City Board of Trade
NYFE:	New York Futures Exchange

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Currency Options

May 2

PHILADELPHIA EXCHANGE

Option & Underlying	Strike Price	Calls—Last May	Jun	Sep	Puts—Last May	Jun	Sep
50,000 Australian Dollars-cents per unit.							
ADollr	77	r	r	r	r	0.59	r
79.20	78	r	r	r	r	1.06	r
79.20	79	r	r	r	0.51	1.50	r
79.20	80	0.22	r	r	1.28	r	r
79.20	81	r	0.37	r	r	r	r
79.20	82	0.02	r	r	r	r	r
79.20	83	r	r	0.43	r	r	r
31,250 British Pounds-cents per unit.							
BPound	162½	r	5.95	r	r	r	r
168.45	165	r	r	r	0.17	0.91	3.00
168.45	167½	r	r	r	0.62	r	4.10
168.45	170	0.35	1.12	r	r	3.40	r
168.45	172½	r	0.49	r	r	r	r
168.45	175	0.05	r	r	r	r	r
50,000 Canadian Dollars-cents per unit.							
CDollr	82½	r	2.00	r	r	r	0.49
84.30	83	1.50	r	r	r	r	0.62
84.30	84	0.52	0.72	r	0.11	0.50	1.15
84.30	84½	0.21	0.50	r	r	r	r
84.30	85	0.08	0.39	0.57	r	r	1.70
84.30	85½	r	0.17	r	r	1.37	r
62,500 West German Marks-cents per unit.							
DMark	52	1.05	r	r	r	0.24	r
53.00	53	0.34	0.76	r	0.30	0.55	r
53.00	54	0.06	0.31	1.06	r	r	r
53.00	55	0.02	0.12	0.68	r	r	r
53.00	56	r	0.05	0.41	r	r	r
53.00	59	r	r	0.07	r	r	r
62,500 West German Marks-European Style.							
52.91	53	r	0.75	r	r	r	r
250,000 French Francs-10ths of a cent per unit.							
FFranc	16	0.14	r	r	r	r	r
6,250,000 Japanese Yen-100ths of a cent per unit.							
JYen	71	s	r	r	r	r	0.24
74.66	73	r	r	r	r	0.25	r
74.66	74	r	1.58	r	0.15	0.48	r
74.66	75	0.33	r	r	0.52	0.86	r
74.66	76	0.09	r	r	1.35	1.43	r
74.66	77	r	0.26	1.30	2.21	r	r
74.66	80	r	0.04	r	r	r	r
74.66	82	r	r	0.19	r	r	r
6,250,000 Japanese Yen-European Style.							
74.57	84	s	r	r	s	8.45	r
62,500 Swiss Francs-cents per unit.							
SFranc	58	r	r	r	r	0.23	0.62
59.46	59	0.70	r	r	0.20	0.51	0.98
59.46	60	0.23	0.62	r	0.62	0.95	r
59.46	61	0.04	0.32	r	r	r	r
59.46	62	r	r	r	r	2.57	2.73
59.46	63	r	0.08	r	r	r	3.59
59.46	64	r	0.04	r	r	r	r
62,500 Swiss Francs-European Style.							
59.46	60	r	r	r	r	0.87	r

Total call vol. 19,078 Call open int. 456,952
Total put vol. 16,655 Put open int. 398,886
r—Not traded. s—No option offered.
Last is premium (purchase price).
Source: AP.

Tuesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

[illegible]

NYSE Highs-Lows

NEW HIGHS 118

AffilPubl s	AlcoStand	AllegLud	Am Home
AsiaPac	AtlRch 3pr	AvalonCp	Avon Prod
Avon 2pf	Baker Fen s	Bandag	BankTr NY
BauschLmb	Bearings	BellSouth	Boeing
BristMyer	BurlingCoat	CDI Cp s	CNW Cp
CNW pf	CarolcoPct	Carolco wt	Cascde NGs
Castle Cke	Centel s	CenturyTel s	Clark Eq
ClevEl pfB	CocaCola	Colum Gas	Comsat
ComPsyc	ConEdist	Contel	Crane
CurtissWrt	Det Edison	DetE 550pf	DiaShmRM
DiaShmRM pf	Disney	Eastn Util	EmersonEl
Enron	FedHmeLn pf	FnclNews	Fst Penna
FstUnionCp	FostrWhlr	FranceFd	Gannett
Gap Inc	GnDynam	GerberProd	GoldNugt
GoldWstFin	GtAtlPac	Gulf StaUt	GlfSU 440pf
GlfSU 450pf	JohnsCn	Handiman s	HomeDepot
Interlan	Katy Ind	KatyInd pfB	
KerrMcGee	Kroger n	LA Gear s	Lubrizol
MNC Fncl	McDonald	MercantStr	MinnMng
Mont Pwr	MooreCorp	Nacco	NatlCity
Newhall s	Okla GE	ONEOK	PHH Cp
PHM Corp	PSI Hold	Panhandle	PenneyJC
PepsiCo	PhEl 950pf	PilgrmPrd	ProctGamb
RocoalTel n	Roch Tel	Royalint	SPS Tech
SaftyKln	SecPacCp	ServMerch s	Showind
StatleryGp	Sovran	Standex	Sundstrand
SuprValu	TexacoEst wd	UniFirst	Union Corp
UnionfedFn	US West	WellsFargo	Walgreen
Wellman	Wrigley	WCNA wi	Whirlpool
WorldCorp			

NEW LOWS 17

AmaxGold	AmShipB	ArizPS adj p	Church
Dresher	FrMcGld	HomeownFSL	LomNFin
NtSemi wt	PinnacleWst	RltyRef Tr	ReichTone
ShelbyWlll	WashNatl	Wedgestone	WsmSL
Winnebago			

AMEX Highs-Lows

NEW HIGHS 32

ATT Fd	AmTr-bmy sc	AmTr-ko un	AmTr-ko prm
AmTr-ko sc	AmTr-gte un	AmTr-inl un	AmTr-unp un
ArmatrmInl	CenPacCp	DelLabs	EldoradBco n
EstPub n	FabIndust	FstNatCalif	FlukeJohn
GelmanSci	GrahamCp	Heln Wern	IntrCtyGs g
IntlRecvry	Ketema	Lydall	MetroMblA
NY Times	NihbayFn n	PacWstn	Pantasote
SierraHlth	Sothebys n	TRC Cos	US Cellular

NEW LOWS 10

AIFS	AnglesMtg n	Balfour	GeothRes
GeothRs pf	GnlYellow g	MedMat n	NCF Fin s
PegasusGld	UnvBkNt		

Paris Commodities

May 2

	High	Low	Close Bid	Ask	Ch'ge
SUGAR French francs per metric ton					
Aug	2,155	2,125	2,135	2,137	+30
Oct	2,071	2,045	2,055	2,015	+35
Dec	2,010	N.T.	1,985	2,000	+48
Mar	1,985	1,970	1,970	1,975	+25
May	N.T.	N.T.	1,955	1,965	+40
Aug	N.T.	N.T.	1,945	1,965	+30

Est. vol: 878 lots of 50 tons. Prev. actual sales: 1,855 lots. Open interest: 14,636.

	High	Low	Close Bid	Ask	Ch'ge
COCOA French francs per 100 kg					
May	N.T.	N.T.	885	—	+5
Jly	N.T.	N.T.	890	—	+5
Sep	N.T.	N.T.	895	—	+5
Dec	N.T.	N.T.	860	—	+5
Mar	N.T.	N.T.	865	—	+5
May	N.T.	N.T.	845	—	+5
Jly	N.T.	N.T.	865	—	+5

Est. vol: 0 lots of 10 tons. Prev. actual sales: 0 lots. Open positions: 4.

	High	Low	Close Bid	Ask	Ch'ge
COFFEE French francs per 100 kg					
May	N.T.	N.T.	1,190	—	—10
Jly	N.T.	N.T.	1,110	1,145	—20
Sep	N.T.	N.T.	1,110	—	—8
Nov	N.T.	N.T.	1,050	1,075	—16
Jan	N.T.	N.T.	1,040	1,070	—20
Mar	N.T.	N.T.	1,040	1,075	—13
May 90	N.T.	N.T.	1,040	1,077	—8

Est. vol: 38 lots of 5 tons. Prev. actual sales: 4 lots. Open positions: 420.
Source: Bourse de Commerce.

London Commodities

May 2

	Close Bid	Ask	High	Low	Previous Bid	Ask
SUGAR U.S. Dollars per metric ton						
Aug	271.00	271.40	277.00	268.80	N.Q.	N.Q.
Oct	270.00	270.40	274.00	268.00	258.00	259.40
Dec	265.00	271.00	270.00	270.00	258.00	258.60
Mar	261.60	262.40	265.40	262.60	249.00	257.00
May	260.60	262.00	N.T.	N.T.	252.60	253.00
Aug	259.00	261.00	N.T.	N.T.	251.00	252.00
Oct	258.00	261.00	N.T.	N.T.	248.00	250.80
Volume: 3,081 lots of 50 tons.						
COCOA Sterling per metric ton						
May	726	727	730	718	723	724
Jul	749	750	752	737	743	744
Sep	765	766	766	754	759	760
Dec	802	803	805	795	798	799
Mar	798	800	799	793	790	797
May	799	800	802	792	793	795
Jul	810	812	814	806	807	808
Volume: 4,398 lots of 10 tons.						
GASOIL U.S. dollars per metric ton						
May	146.75	147.00	150.50	146.75	151.00	155.25
Jun	144.25	145.50	147.00	144.00	157.25	157.50
Jul	144.00	144.50	145.50	144.25	146.00	146.50
Aug	145.00	145.25	146.00	145.25	146.50	146.75
Sep	146.25	146.50	147.25	146.00	147.50	148.25
Oct	147.00	148.00	149.00	147.50	149.00	149.50
Nov	148.00	148.75	149.00	148.00	150.50	150.75
Dec	149.00	150.00	150.50	149.50	151.75	152.75
Jan	N.Q.	N.Q.	N.T.	N.T.	149.00	153.50

Volume: 7,650 lots of 100 tons.
Sources: Reuters and London Petroleum Exchange.

Dividends

May 2

Company	Per	Amt	Pay	Rec
INCREASED				
Banknorth Group	Q	.43	6-9	5-26
Jefferson Pilot	Q	.34	6-2	5-12
INITIAL				
Abraham Lincoln	..	.10	6-15	5-20
USUAL				
Atlantic Richfield	..	1.12½	6-15	5-19
Gerber Scientific	Q	.03	5-31	5-12
Golden West Fincl	Q	.07	6-9	5-15
Miller (Herman) Inc	Q	.13	7-14	6-2
Natl Mercantile	A	.10	6-15	5-15
Olsten Corp	Q	.06	6-1	5-15
Philo Electric	Q	.55	6-30	5-24
Regal-Beloit Corp	Q	.12	7-14	6-30
Wackenhut Corp	Q	.15	6-1	5-15
Wendy's Intl	Q	.06	5-25	5-11
REDUCED				
Lomas Financial	Q	.18	5-26	5-11
STOCK SPLIT				
National Mercantile Bancorp — 5-for-4				

a-annual; m-monthly; q-quarterly; s-semi-annual
Source: UPI.

London Metals

May 2

	Close Bid	Ask	Previous Bid	Ask
ALUMINUM (High Grade) Dollars per metric ton				
Spot	2247.00	2252.00	2290.00	2295.00
Forward	2142.00	2143.00	2180.00	2185.00
COPPER CATHODES (High Grade) Sterling per metric ton				
Spot	1744.00	1746.00	1808.00	1810.00
Forward	1730.00	1731.00	1776.00	1777.00
LEAD Sterling per metric ton				
Spot	372.00	373.00	369.00	370.00
Forward	370.00	370.75	368.00	369.00
NICKEL Dollars per metric ton				
Spot	14475	14575	15100	15200
Forward	14300	14350	14900	14950
SILVER U.S. cents per troy ounce				
Spot	560.00	563.00	560.00	562.00
Forward	568.00	571.00	568.00	570.00
ZINC (High Grade) Dollars per metric ton				
Spot	1568.00	1573.00	1655.00	1660.00
Forward	1520.00	1523.00	1592.00	1615.00

Source: AP.

U.S. Treasuries

May 2

	Discount Bid	Offer	Yield	Prev. Yield
3-month bill	8.55	8.57	8.89	8.90
6-month bill	8.54	8.54	9.08	9.16
1-year bill	8.48	8.50	9.21	[illegible]
	Bid	**Offer**	**Yield**	
30-yr. bond	99 10/32	99 12/32	8.94	[illegible]

Source: Salomon Brothers.

DM Futures Options

W. German Mark-125,000 marks, cents per mark

May 2

Strike Price	Calls-Settle May	Jun	Jul	Puts-Settle May	Jun	Jul
51	—	2.18	—	0.03	0.07	—
52	—	1.32	—	0.02	0.30	0.27
53	0.29	0.65	1.09	0.16	0.57	0.57
54	0.02	0.26	0.57	0.89	1.13	1.05
55	0.01	0.10	0.28	1.87	1.96	1.73
56	0.01	0.04	0.14	2.87	2.89	—

Est. total vol.: 11,399
Calls: Mon. volume: 6,496; open int.: 70,446
Puts: Mon. volume: 9,229; open int.: 72,351
Source: CME.

S&P 100 Index Options

May 2

Strike Price	Calls-Last May	Jun	Jly	Aug	Puts-Last May	Jun	Jly	Aug
250	31¼	—	—	—	1/16	—	—	—
255	—	—	—	—	1/16	—	—	—
260	21½	—	25¼	—	1/16	⅜	¾	1¼
265	—	—	—	—	1/16	⅜	1¼	—
270	22	20½	25½	—	¼	1¼	2	2¾
275	15¾	19	21	—	⅜	1⅞	2¾	—
280	10½	13¼	—	—	¾	2⅜	3½	4½
285	6¼	9½	12⅛	—	2⅛	4⅛	5⅛	—
290	3⅛	6⅛	9⅛	11¼	4⅛	6⅛	7⅛	7⅞
295	1¼	3⅝	6⅛	—	7⅞	9⅜	10	—
300	½	2⅛	4⅜	6⅛	11¼	11⅛	12½	—
305	1/16	1⅛	3	—	15	16⅛	16⅛	—

Calls: total volume 83,229; total open int. 363,635
Puts: total volume 70,189; total open int. 376,598
S&P 100 index:
High 291.71 Low 288.89 Close 289.16 —1.96
Source: CBOE.

Thai Air Orders Boeing Jets

The Associated Press

SEATTLE — Boeing Co. said Tuesday that Thai Airways International ordered seven 737-400 jets and a 747-400 for a total $400 million. The order is to be delivered by 1993. Thai Airways will be the first Southeast Asian carrier to operate the largest version of the 737, Boeing said. So far this year, Boeing has announced orders for

Spot Commodities

May 2

Commodity	Today	Prev.
Aluminum, lb	0.9575	0.97
Coffee, lb	1.36	1.37
Copper electrolytic, lb	1.507	1.5075
Iron FOB, ton	213.00	213.00
Lead, lb	0.34	0.35
Printcloth, yd	0.50	0.50
Silver, troy oz	5.617	5.655
Steel (billets), ton	473.00	473.00
Steel (scrap), ton	116.50	121.00
Tin, lb	6.4334	6.4509
Zinc, lb	0.85	0.88

Source: AP.

Fiat Unit Buying 51% of Cogefar

Reuters

TURIN, Italy — Fiat SpA's engineering subsidiary, Fiatimpresit SpA, is buying a 51 percent stake in the Cogefar SpA construction company for 247.5 billion lire ($179 million), Fiat said Tuesday.

Fiat said the acquisition would give the engineering unit a larger dimension to meet increased competition from the unified European market in 1992. It added that the stake was being acquired from Acqua Pia Antica Marcia SpA.

The boards of Fiatimpresit and Cogefar, one of the largest construction companies in Italy, are to meet in the next few days to discuss a merger, Fiat said. On Friday, Cogefar reported 1988 group net profit fell to 22.7 billion lire from 31.2 billion in 1987 and that turnover rose 3 percent, to 777 billion lire.

The Global Newspaper.

Floating-Rate Notes

May 2

Dollars

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]				

Pounds Sterling

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]				

Deutsche Marks

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]				

Japanese Yen

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]				

E.C.U.

Issuer/Mat.	Coupon	Next	Bid	Asked
[illegible]				

Source : Credit Suisse-First Boston Ltd. London

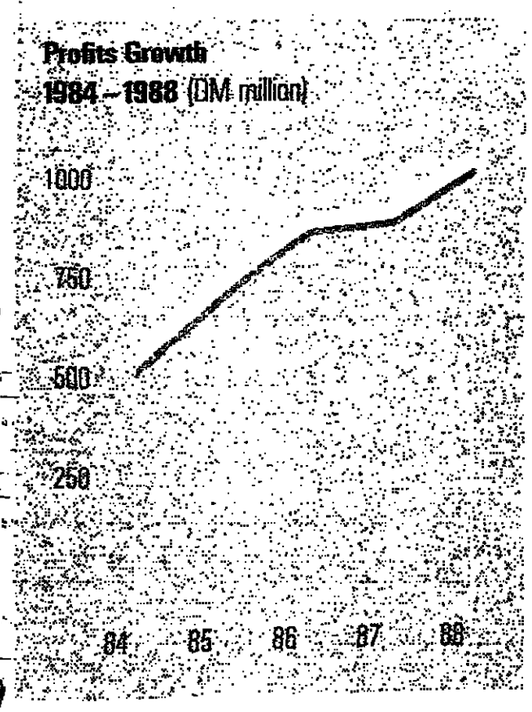
WORLD MARKETS IN REVIEW
IN THE IHT EVERY MONDAY.
A WEEKLY REVIEW OF WORLD STOCK MARKETS, ESSENTIAL READING FOR INVESTORS AND PROFESSIONALS — WORLDWIDE

Tuesday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

Chemicals Advance

Further Significant Increase in Profits
The VEBA organization, the fourth largest company in West Germany, increased profits by 13.5% compared with an already strong 1987. Turnover advanced 9.6%. The dividend for VEBA shareholders shall be raised from DM 10 to DM 11 in line with the good results.



Major Expansion in Chemicals
The company's chemical activities have been systematically expanded. Turnover in this sector increased by 63%, principally by acquisitions in the field of plastics. Similarly, in the sector of trading, transport and services, the VEBA companies expanded their market presence as well as their range of services.

VEBA – Investing in Markets of the Future
Major emphasis is placed by VEBA management on the continued development and streamlining of the group. This is exemplified by acquisitions like the purchase of Monsanto Electronic Materials Company in the USA by the VEBA subsidiary HÜLS. As a result of this investment HÜLS will become one of the largest suppliers in the world market for wafer production, an initial process in chip manufacturing.
VEBA KRAFTWERKE RUHR (VKR), a power generation company, has increased its involvement in the future-directed field of disposal and recovery of industrial and other special wastes.

VEBA today
VEBA is a group of companies with a solid foundation for the future in electrical power generation, chemicals, oil and the sector of trading, transport and services. The power companies PREUSSENELEKTRA and VKR supply some 18% of all electricity consumed in West Germany. HÜLS is one of the major producers of chemicals and over 1500 special products such as plastics, rubber and raw material for detergents. VEBA OEL holds a strong position in the German mineral-oil market. STINNES and RAAB KARCHER rank among the large international trading houses.

Results in brief		1987	1988	Change
Turnover	DM million	40475	44372	+ 9.6%
Profit	DM million	943	1071	+ 13.5%
Capital expenditure	DM million	4612	4570	– 0.9%
Employees		74597	84715	+ 13.6%

If you would like to receive a copy of the interim report or further information about VEBA, please write to: VEBA AG, Karl-Arnold-Platz 3, D-4000 Düsseldorf 30, West Germany.

VEBA

MEDIA MARKETS

CONSCIENCE: *Do Cigarette Advertisements Trouble the Creators?*

(Continued from first finance page)

too many people take the comic strip literally. "I would hope that people don't base their views of the ad world on a comic strip," said Lee Salem, editorial director. "Remember, some of Trudeau's favorite tools are exaggeration and hyperbole."

HYPERBOLE or not, R. J. Reynolds executives are hardly amused by the strip. "The simple fact is, we don't target our advertising to appeal to young people," said David Fishel, vice president of public relations at Winston-Salem, North Carolina-based RJR Nabisco Inc. "What's more, advertising has almost nothing to do with anyone starting to smoke."

Of course, not everyone accepts that. In fact, the chairman of one major New York ad agency is so certain that advertising can coax children to start smoking that his agency refuses to create ads for any cigarettes. It will, however, create ads for nontobacco products made by these companies. "We will never create any cigarette advertisements," said Robert Schmidt, chairman of Levine, Huntley, Schmidt & Beaver. "There has to be some social conscience to an ad agency."

That social conscience, however, must often expand beyond the issue of tobacco advertising, he said. Several years ago, Mr. Schmidt's agency was among several chasing after the $10 million in advertising business for the World Gold Council, which is primarily funded by South African gold mining companies. "We were really on the fence with this one," said Mr. Schmidt, because many people at the ad agency had problems with the apartheid policy of racial segregation practiced in South Africa. "We backed out after our second meeting. It was a combination of conscience — and not falling in love with the people involved."

But the ad agency does handle a substantial amount of advertising for E&J Gallo Winery. And one of the ad agency's top art directors recently asked not to work on the account for religious reasons.

•••

The print advertisement shows a lone pleasure boat with its bow caved in and the headline: Scotch and Water Don't Mix.

The ad will begin running just weeks after the Exxon Valdez oil tanker accident in Alaska, which involved a captain who tests showed was intoxicated. The campaign, created by the Los Angeles office of Hakuhodo Advertising, was underwritten by Hakuhodo's client, the marine division of American Suzuki Motor Corp., which makes outboard motors.

Ogilvy: A Name Apart And a Legacy Within

WPP Pushes Quest for Advertising Giant

By Randall Rothenberg
New York Times Service

NEW YORK — One of Ogilvy & Mather's most famous advertisements read: "At 60 miles per hour, the loudest noise in this new Rolls-Royce comes from the electric clock." Now, many advertising analysts believe a clock is ticking for Ogilvy.

On Monday, a day after Ogilvy Group Inc., the New-York based parent of Ogilvy & Mather Worldwide, disclosed that it had received an unsolicited $45-a-share takeover offer from WPP Group PLC of Britain, its stock price shot up $17.125, to $49.125.

WPP has valued the $45-a-share bid at $725 million. Late Tuesday, Ogilvy shares has risen 50 cents more.

Financial analysts said WPP, whose chairman, Martin Sorrell, engineered the takeover of J. Walter Thompson Co. of New York two years ago, could succeed in its quest for Ogilvy.

The company Mr. Sorrell is chasing boasts one of advertising's grandest names, given it by a British copywriter, David Ogilvy, who founded the agency in 1948.

The Ogilvy name came to represent an urbanity and intelligence that stood apart. A British agency, Mather & Crowther, provided some financing and half of the firm's name.

It was Ogilvy & Mather that invented the man in the Hathaway shirt, whose eye patch betokened a mysterious masculinity that men craved.

Another fellow — the bearded Commander Edward Whitehead from Schweppes — sold soda water with sophistication.

More recently, the agency has marketed American Express Co. with the phrase: "Membership has its privileges."

These ads derived from a set of rigid rules devised by Mr. Ogilvy — a pipe-smoking former chef and Oxford dropout — and set forth in his memos and books.

"The consumer is not an idiot," he wrote, banishing condescension from his agency's ads. "She is your wife."

Humor also was forbidden. "Be well mannered, but don't clown."

From these commandments emerged print ads notable for their single photographs, headlines immediately below the pictures and long copy broken up by bold-face subheadings.

That intelligence also permeated Ogilvy's agency.

"Ogilvy & Mather is an agency made up of ladies and gentlemen with brains," said Jane Maas, president of Earle Palmer Brown-New York, who worked at Ogilvy from 1964 to 1976.

"They are not avaricious, not ambitious, greedy grunts," she added. "There's an atmosphere of enormous mutual respect and admiration."

Although Mr. Ogilvy retired 14 years ago, the agency's executives have "clung steadfastly to the 'Ogilvy legacy' as their magic lantern," said Carl Spielvogel, chairman of Backer, Spielvogel & Bates Worldwide.

Mr. Ogilvy's impression can even be seen on the agency's carpeting — bright red, the color of the suspenders he favored.

The group's new headquarters on the West Side of Manhattan, to which it will move this month, will maintain the crimson floors.

The Ogilvy legacy is all-important to Mr. Sorrell, who has spoken of the agency as "one of the two best brand names in advertising," along with Thompson.

But that image has been damaged in recent months and signs of vulnerability have begun to show.

Last year, Hallmark Cards Inc. removed its account, worth more than $35 million.

And this year, in the most serious blow to the agency's prestige, Kraft General Foods put its $60 million Maxwell House coffee account, which Ogilvy has handled for three decades, into review. Ogilvy and D'Arcy Masius Benton & Bowles are now vying for the account.

The Ogilvy Group also has disappointed analysts with operating margins, now 7.9 percent, that are consistently below the industry average of 10 percent.

Ogilvy executives say that their agencies' margins are actually 9.7 percent and that it is the poor performance of their market research component that is hurting the company.

While some problems are outside the agency's control, Ogilvy's management comes in for blame from advertising analysts, who say the company's culture has changed since Mr. Ogilvy retired.

Hallmark, for example, left partly because it perceived an atmosphere of arrogance inside the company, several observers said.

Others said that the company had become increasingly political, a reflection of the crowded management suite.

David Ogilvy's impression can even be seen on the agency's carpeting — bright red, the color of the suspenders he favored.

"They have more brains at the top than they need," said a former executive, who asked not to be identified.

The former executive added that pressure to reduce costs by realigning some management functions had led to tensions.

Kenneth Roman, 58, who succeeded to the chairmanship of the Ogilvy Group a year ago, is also a different kind of manager from those who preceded him.

John Elliott Jr., chairman from 1975 to 1981, was regarded as a warm, outgoing person.

Although William E. Phillips, who served until last year, was tougher, more competitive and not universally liked, he was still considered charismatic.

Mr. Roman is widely regarded as a difficult, distant man, whose "people problems," in the words of an industry executive, may have made it difficult to pull together management.

But some observers said Ogilvy's current problems are minor, compared with its history of success.

"Ogilvy really is one of the best agencies in town," said Alvin A. Achenbaum, a consultant who helps clients select agencies.

Saying that "changed leadership" had had an impact on Ogilvy's culture, Mr. Achenbaum added, "Ken Roman is taking the rap for changes in the advertising business."

Sandra W. Meyer, an Ogilvy client for 20 years, at General Foods and then at American Express, also credits the company with an early and continuing recognition of the importance of "multinationality" to client companies.

"Ogilvy really got there first in understanding what global marketing is all about," said Ms. Meyer, a senior executive at Citicorp. "The multinationality thing is still there. The emphasis on real creativity is still there. Ogilvy is a very special place."

That special nature makes the agency all the more attractive to Mr. Sorrell. In the letter that included his acquisition offer, he cited the "similar philosophies and cultures" of the two companies as well as the "synergies" between them.

He noted, for example, that J. Walter Thompson is strong in Japan and Latin America, two areas where Ogilvy is weak; while Ogilvy has powerful operations in continental Europe and Southeast Asia, where Thompson has gaps.

The combination of Ogilvy and WPP would also create one of the largest market research companies in the world.

WPP Stock Slides On Bid for Ogilvy

Compiled by Our Staff From Dispatches

LONDON — The stock price of WPP Group PLC, the British advertising and public relations company, slumped Tuesday on the London Stock Exchange in the first trading of the company's shares since its takeover offer for Ogilvy Group Inc. over the weekend.

WPP shares fell 54 pence (90 cents), to 630 pence a share, at the end of trading Tuesday, after declining as much as 77 pence earlier in the day. Ogilvy, while not rejecting the offer outright, said it preferred to remain independent. But its chairman said the board would consider the bid.

WPP offered $45 a share for Ogilvy and said its bid was worth about $725 million. Ogilvy shares rose Monday a sharp $17.125 in over-the-counter trading to close at $49.125. At midday Tuesday, the shares had climbed to $49.625.

The merger would create a close rival to such Saatchi & Saatchi Co. of Britain, the world's biggest agency in terms of advertising budget. But following Saatchi's recent announcement that it expects lower profits this year, industry analysts have questioned the efficiency of such groupings.

WPP said it was considering whether to proceed with a hostile takeover of the U.S. firm, which owns the fifth-largest advertising agency, Ogilvy & Mather Worldwide.

(AFP, Reuters)

This announcement appears as a matter of record only

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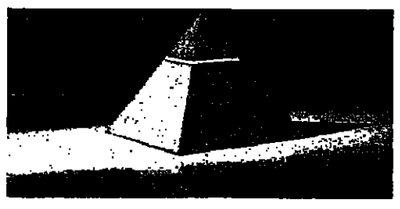

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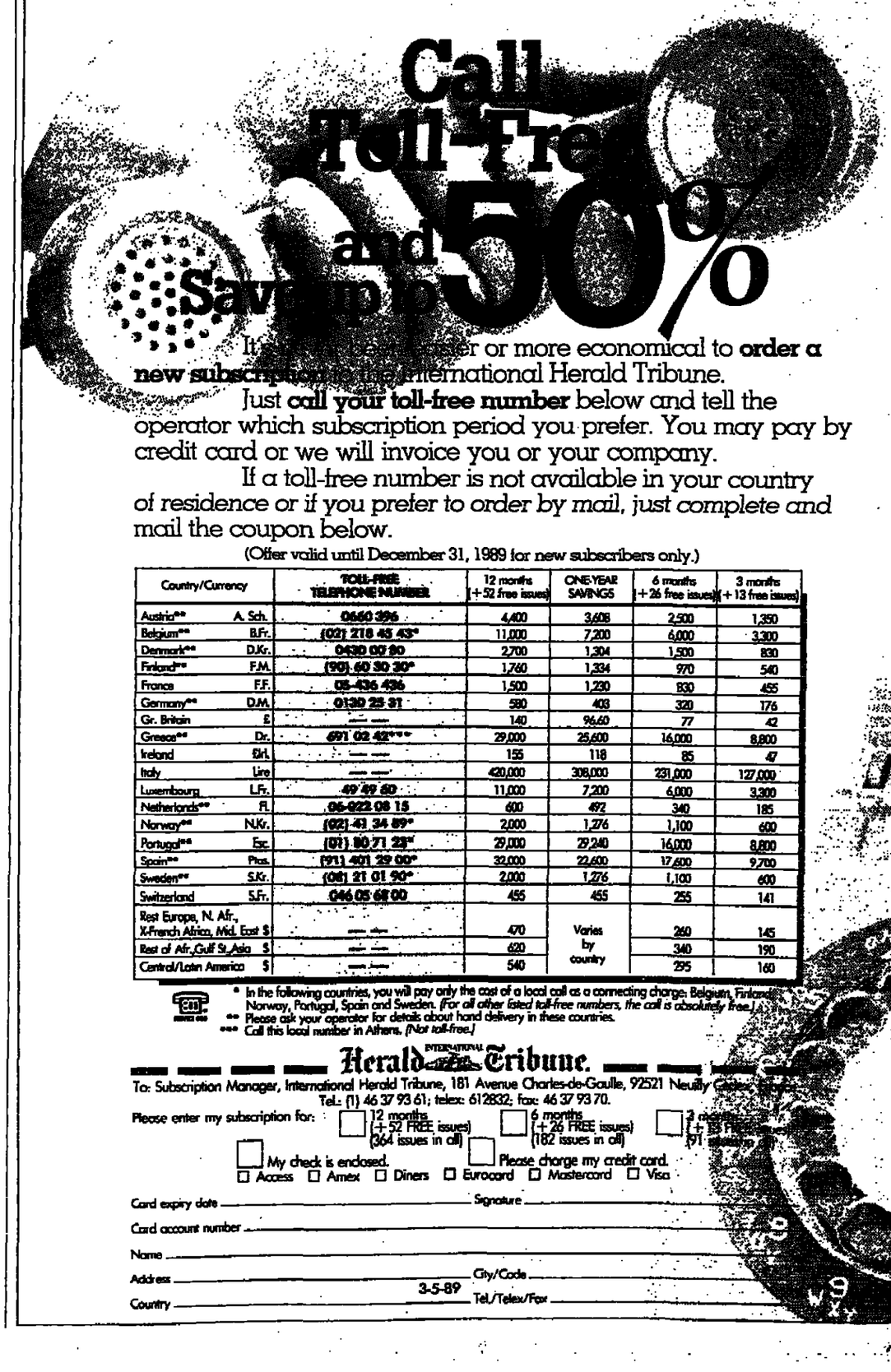

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Germany** D.M.	0130 25 31	580	408	320	176
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Greece** Dr.	691 02 42***	29,000	25,600	16,000	8,800
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Netherlands** Fl.	06-022 08 15	600	492	340	185
Norway** N.Kr.	(02) 43 34 89*	2,000	1,276	1,100	600
Portugal** Esc.	(01) 80 71 23*	29,000	29,240	16,000	8,800
Spain** Ptas.	(91) 401 29 00*	32,000	22,600	17,600	9,700
Sweden** S.Kr.	(08) 21 01 90*	2,000	1,276	1,100	600
Switzerland S.Fr.	046 05 68 00	455	455	255	141
Rest Europe, N. Afr., X-French Africa, Mid. East $	— —	470	Varies by country	260	145
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Central/Latin America $	— —	540		295	160

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صورة من الأصل

Tuesday's NASDAQ Prices

Prices as of 4 p.m. New York time.

This list, compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

Via The Associated Press

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
[illegible]										

CURRENCY MARKETS

Bank Intervention Leaves U.S. Currency Mixed

Compiled by Our Staff From Dispatches

NEW YORK — The dollar closed mixed Tuesday, partly overcoming concerted market intervention against it by central banks.

The currency closed at 1.8927 Deutsche marks, up from 1.8908 DM on Monday, and at 134.365 yen, up from 134.08 yen. It fell to 1.6854 Swiss francs from 1.6878 francs, but rose to 6.3948 French francs from 6.3880 francs.

The pound fell to $1.6794 from $1.67995.

European central banks and the U.S. Federal Reserve intervened at least twice to try to keep the dollar down, but on each occasion the currency bounced back, a trader at the European American Bank in New York said.

The Fed intervened to sell dollars at around 1.8870 DM and 133.95 yen. Intervention also came from the Bank of Canada, the Bundesbank, and the central banks of Britain, Italy, Austria, Switzerland, Belgium and France.

The intervention was described as modest, with the dollar rebounding afterward. Dealers viewed it as an attempt to slow the dollar's rise rather than push it sharply lower.

London Dollar Rates

Closing	Tue.	Fri.
Deutsche mark	1.8864	1.8795
Pound sterling	1.6840	1.6875
Japanese yen	133.89	132.85
Swiss franc	1.6795	1.6735
French franc	6.3785	6.3600

Source: Reuters

"The market is not impressed with what they've done so far," said Earl Johnson of Harris Trust & Savings Bank. "The banks are going to have to come in with larger size."

The central-bank sales were not unexpected, since Europe's foreign-exchange market tested the major industrialized nations' commitment to stabilize currencies by pushing the dollar towards 1.89 DM, dealers said.

Some central banks also sold dollars on Friday and on Monday.

Dealers said favorable interest-rate differentials and political uncertainties in Japan and West Germany, among other nations, continued to underpin the dollar.

"The market is very bullish," said Albert Soria of Kansallis-Osake-Pankki. "The fundamentals speak for a higher dollar."

"The market doesn't appear to be afraid of anything right now," said Oswald Dietrich, head market risk adviser for Bank of America in Frankfurt.

Other traders said the holiday-shortened week could result in thin volumes that would exaggerate any changes in the dollar. Most European markets were closed for holidays on Monday and some also will close on Thursday for Ascension Day.

Traders, expecting stronger U.S. growth and higher interest rates to stop the U.S. economy overheating, are now bullish about the dollar. Some were expected to snap up dollars at lower levels after the central banks intervened.

"The dollar is once again becoming a safe haven for investment funds," said a dealer. "High U.S. interest rates are also prompting dollar demand."

In London trading, the dollar rose despite the concerted intervention.

The limited action curbed the dollar's surge, but dealers said the trend was upward and demand for the U.S. currency remained strong, especially among institutional and long-term investors. The prospect of higher interest rates lifted the currency.

The dollar rose in London to 1.8864 DM from 1.8795 DM on Friday, and to 133.89 yen from 132.85 yen.

The dollar also rose to 1.6795 Swiss francs from 1.6735 francs, and to 6.3785 French francs from 6.3600 francs.

The pound slipped to $1.6840 from $1.6875.

Dealers said favorable interest-rate differentials and political uncertainties in Japan and West Germany, among other nations, continued to underpin the dollar.

Meanwhile, gold ended in London at $377.75 an ounce after hitting a 32-month low of $376.90 at the morning's fix. The close compared with the opening of $378.05 and Friday's close of $378.00. Dealers said gold prices drifted lower throughout the day, tracking the firmer dollar with no fresh influences evident. Later in New York, gold fell a fraction, to $377.80 and ounce from $378.20 Monday. *(Reuters, AFP)*

Dollar-Hungry Buyers Discount Economy

Reuters

NEW YORK — Foreign investors are temporarily disregarding poor U.S. economic fundamentals in their eagerness for high-yielding dollars, according to economists.

For now, those unfavorable fundamentals — the budget and trade deficits — are being viewed as constructive for the dollar. As long as the budget deficit persists, high interest rates will be maintained, in turn attracting demand for dollars, said John Paulus, chief economist at Morgan Stanley & Co. Shrugging off concerted central-bank intervention, the dollar edged up to a six-month high of 134.08 yen on Monday. Further intervention on Tuesday sent the dollar slightly lower at midday, but it closed up at 134.365 yen in New York trading.

"The dollar will get stronger until the U.S. has a recession," he said. "After the recession, U.S. interest rates will fall and then the dollar will face serious problems."

The U.S. economy has slowed down to some extent after a year-long tightening of credit by the Federal Reserve.

But it is still an open question whether the tightening will pull the economy into a deep recession or a mild one.

Geoffrey Dennis, chief international economist at James Capel Inc. in New York, said there were no prospects of a substantial fall in U.S. interest rates, since inflationary pressures are still seen brewing.

In addition to portfolio demand for dollars because of high interest rates, foreign direct investment in the United States is rising because American industries are booming.

Big U.S. companies planned to spend 33 percent more on new plant and equipment in the final quarter of 1988 than in the previous one, the Conference Board said Friday.

"The very large increase in new capital appropriations," said Ken Goldstein, a board economist, "are a powerful signal that the two-year long surge in plant and equipment spending may well continue into 1989."

U.S. exports should be supported by improved production.

Robert Brusca, chief economist at Nikko Securities Co. International, said "the prospects for the U.S. trade deficit are not as bad as thought before."

"Maybe the relative strength of the dollar has not undercut U.S. competitiveness," he said. "Exports are growing again."

In addition to the portfolio and direct investment, which are creating demand for dollars, "the most important fact of all is that the U.S. is a haven of political stability while Japan is in complete turmoil," said Mr. Dennis.

Crude Oil Falls To Below $20

The Associated Press

NEW YORK — U.S. oil prices fell sharply Tuesday, to less than $20 a barrel, reflecting concerns about high production by OPEC members.

On the New York Mercantile Exchange, the June contract for West Texas Intermediate, the benchmark U.S. crude, fell 86 cents, to $19.80 a barrel. June home heating oil fell 1.85 cents Tuesday, to 47.61 cents a gallon.

John H. O'Connell, an energy analyst at Refco Inc., said profit-taking from the recent jump in crude and gasoline prices and concerns about overproduction by the Organization of Petroleum Exporting Countries were responsible.

World Stock Markets

Via Agence France Presse Closing prices in local currencies, May 2

Amsterdam

	Close	Prev.
ABN Bank	42.20	41.80
ACF Holding	52.50	52
Aegon	100.70	100.30
Ahold	106.60	107.30
Akzo	150.50	149.80
AMEV	48.80	48.70
A'Dam Rubber	8.30	8.30
Amro Bank	78.20	78
Bols	140.70	139.40
Buhrmann Tett	72.30	70.10
BVG	11	12.50
Center Parcs	78.20	77.50
CSM	65	63.30
Elsevier	70.40	70
Fokker	42.50	40.50
Gist-Brocades	36.20	35.60
Heineken	117	116.30
Hoogovens	102.20	100.80
Hunter Douglas	108.50	106
IHC Caland	28.50	26.90
Int Mueller	94.20	92.20
KLM	46.50	46.10
KNP	59.40	57.60
Nat Neder	63.10	62.40
Nedlloyd	41.30	39.70
NMB Bank	226	224
Oce Grinten	307.50	305
Pakhoed	142.50	141.50
Philips	36.30	36.20
Robeco	104.20	103.70
Rodamco	163.90	163.90
Rolinco	102.10	101.40
Rorento	61.70	61.60
Royal Dutch	134.70	134.80
Unilever	125.20	124.50
Van Ommeren	48.40	46.40
VMF Stork	34.10	32.80
VNU	103	99
Wessanen	80.20	78.50
Wolters/Kluwer	175.50	172.80

ANP-CBS Gen'l Index : 188.80
Previous : 184.30

Brussels

	Close	Prev.
Arbed	5310	5320
Bekaert	14975	14975
Cockerill	342	346
Cobepa	5936	5850
Delhaize	5490	5490
EBES	4850	4850
GB-Inno-BM	1306	1300
GBL	4360	4360
Gevaert	8450	8440
Hoboken	17950	18000
Intercom	3855	3820
Kredietbank	4715	4710
Petrofina	13100	13300
Royale Belge	5300	5300
Soc Gen Baue	5980	5980
Sofina	12675	12675
Solvay	13900	14000
Tractebel	9400	9360
UCB	10400	10250
Unerg	2815	2805

Current Stock Index : 5949.61
Previous : 5928.87

Frankfurt

	Close	Prev.
AEG	217	218
Allianz Hldg	1765	1780
Altana	414	415
Asko Dt. Kfhs	808.30	809
BASF	301.50	301
Bayer	301	300.80
Bay. Hypo bank	399	409
Bay Vereinsbank	381	401
BBC	442	443
BHF-Bank	469.50	471
BMW	512	514
Commerzbank	251.50	252.30
Continental	264.50	265
Daimler-Benz	658.50	669.50
Degussa	457	457
Dt. Babcock	162	164.20
Deutsche Bank	552.50	554
Dresdner Bank	325	326
Feldmuehle	350.50	358.50
Harpener	455	460
Henkel	526	522
Hochtief	761	770
Hoechst	300	301.50
Hoesch	245	247.30
Holzmann	793	788
Horten	250	248.50
Hussel	560	555
IWKA	270	273
Kali + Salz	196.50	198
Karstadt	488	479.50
Kaufhof	470	465
KHD	168	168
Kloeckner Werke	165.20	169
Krupp Stahl	157	156
Linde	738.50	740
Lufthansa	166.50	167
MAN	285	283.90
Mannesmann	232.60	235.50
Metallgesell	435	434
Muench Rueck	2025	2100
Nixdorf	298	302
PKI	705.50	709
Porsche	670	695
Preussag	266	270.50
PWA	290.50	290
RWE	275	276.10
Rheinmetall	420	435
Schering	634	638
SEL	327.50	322
Siemens	531	534
Thyssen	226	228.30
Varta	329	325
Veba	294.50	293
VEW	169.30	169.50
Viag	285.50	285
Volkswagen	337	340
Wella	615	616.50

Commerzbank Index : 1699.60
Previous : 1714.10
FAZ Index : 571.93
Previous : 575.99

Helsinki

	Close	Prev.
Amer A	169	169
Enso-Gutzeit	40.50	41.50
Finnish Sugar	97	96
K.O.P.	62.50	62
Kymmene	135	135
Nokia	135	138
Pohjola	315	314
Stockmann	210	212
Utd Paper	137	136
Wartsila	400	345

Unitas Index : 805.60
Previous : 806.60

Hong Kong

	Close	Prev.
Bk East Asia	16.50	14.50
Cathay Pacific	9.40	9.35
Cavendish Int'l	4.175	4.025
Cheung Kong	10.70	10.60
China Light Pwr	14.70	14.50
Dairy Farm Int'l	7.15	7.10
Hang Lung Dev	6.35	6.25
Hang Seng Bank	25.30	25.20
Henderson Land	4.60	4.45
HK Air Eng.	20.50	20.10
HK China Gas	20.80	20.90
HK Electric Hdgs	8.05	8.05
HK Land	11.80	11.60
HK Realty Trust	6	5.95
HK Shang Bank	6.30	6.25
HK S'hai Htls	6.15	6.20
HK Telecomm	5.40	5.40
HK-TVB	1.27	1.27
HK Ferry	6.75	6.80
Hutch Whampoa	11.50	11.40
Hysan Dev	1.66	1.63
Jardine Math.	23.40	23
Jardn Strat Hdg	13.50	13.30
Kowloon Motor	9.10	8.95
Mandarin Orient	5.85	5.85
Miramar Hotel	9.65	9
New World Dev	14.10	13.90
SHK Props	14.70	14.50
Stelux	3.20	3.15
Swire Pac A	21.50	21.30
Tai Cheung Prps	5.70	5.70
Wharf Hold.	11.70	11.40
Wing On Co	8.10	8.30
Winsor Ind.	10.60	10.60
World Int'l Hdgs	5.10	4.975

Hang Seng Index: 3156.27
Previous : 3123.87

Johannesburg

	Close	Prev.
AECI	2000	2000
Altech	9200	9200
Anglo American	8200	8525
Barlows	3900	3900
Blyvoor	1200	1200
Buffels	5000	5150
CFSA	7800	7900
Harmony	2275	2300
Hiveld Steel	2000	2000
Kloof	3400	3525
Nedbank	8200	935
Rusplat	6600	6775
SA Brews	2425	2400
St Helena	3175	3300
Sasol	1275	1300
Welkom	2075	2125
Western Deep	12150	12550

Composite Stock Index : 2556
Previous : 2594

London

	Close	Prev.
AA Corp $	19½	20½
Allied Lyons	455½	462
Anglo Am Gd $	65⅛	67⅛
Ass Brit Foods	537	537
Asda-MFI Gp	163	165
BAA	377½	377
Barclays	449	452
Bass	943	952
B.A.T.	548	552
Beecham	622	630
Blue Circle	305	308
BOC Group	470	475
Boots	243	245
Bowater Ind.	585	590
British Aero.	581	585
Brit Airways	195	195
British Gas	179	180½
BP	287½	290
British Telec.	264	268
BTR	369	371
Burmah	563	565
Cable Wireless	580	584
Cadbury Schw	369	373
Charter Cons.	535	530
Commercial U	384	385
Cons Gold Fd	13 5/64	13
Cookson Gp	315	310
Courtaulds	322	322
Dalgety	369	367
De Beers	14½	14⅝
Dixons	145	145
Driefontein $	9	9½
Fisons	297	305½
Freegold $	7⅛	7⅞
Gateway	191	191
Gen Accident	937	945
GEC	237	240
GKN	307	305
Glaxo	13 27/32	13 51/64
Grand Met	577	574
GRE	294	295
Guinness	402	402
Gus	16⅛	16¼
Hanson	193½	193
Hawker	703	704
ICI	12 5/64	12 13/64
Jaguar	382	382
Kingfisher	292	297
Lands Sec	565	560
Legal and Gen	316	315
Lloyds Bank	293	291
Lonrho	277	278
Lucas	626	622
Marks & Sp	170	171
Maxwell Com	184	185
Metal Box	206	207
Midland Bank	369	362
Nat.West.Bk	327	322
Pearson	726	725
P and O	571	572
Pilkington	248	250
Plessey	262	263
Prudential	178	177
Racal Elec	451	449
Randfontein $	53½	55½
Rank	948	947
Reed Internat.	408	405
Reuters	728	728
Rolls-Royce	191	192
Royal Dutch	37⅛	38⅛
RTZ	528	527
Saatchi	287	280
Sainsbury	242	240
Sears Holding	122½	123½
Shell	435	435
STC	320	322
Std Chart.Bk	555	555
Storehouse	175	174
Sun alliance	11⅜	11 29/64
Tate and Lyle	235	235
Tesco	171	173
Thorn Emi	686	688
T.I. Group	441	446
Trafalgar Hse	387	390
THF	273	275
Ultramar	306	307
Unilever	550	549
Utd Biscuits	338	337
Vickers	186	180
War Loan 3½ £	39⅛	38⅝
Wellcome Gp	481	478

F.T. 30 Index : 1736.30
Previous : 1738.40
F.T.S.E. 100 Index : 2183.10
Previous : 2118.80

Milan

	Close	Prev.
Banca Comm	4175	4200
Bastogi	410	415.75
Ciga hotels	4620	4687
CIR	5725	5740
Cred Ital	1985	2010
Eridania	5945	5945
Ferruzzi Fin.	3065	3119
Ferruzzi Agr.	2096	2095
Fiat	9295	9345
Generali	41820	42150
IFI	17810	17950
Italcem	117a	1123a
Italgas	2100	2115
Italmobiliare	1545a	1545a
Mediobanca	20910	21240
Montedison	2120	2118
NBA	1870	1845
Olivetti	9190	9245
Pirelli	3340	3320
RAS	30150	30450
Rinascente	4875	4879
Saipem	3328	3382
SIP	2929	2913
SME	3770	3811
Snia	2718	2720
Standa	24850	24900
Stet	3340	3380
Toro	20850	21275

a: x100.
MIB Index: 1028
Previous : 1036

Paris

	Close	Prev.
Accor	640	630
Air Liquide	589	584
Alsthom Atl.	567	570
Av Dassault	630	639
Bancaire	517	516
BIC	745	747
Bongrain	3173	3190
Bouygues	600	597
BSN-GD	684	686
Carrefour	2924	2880
Cerus	426	428.80
C.G.E.	415	417.50
Chargeurs	1355	1330
Club Med	595	592
Dumez	946	949
Elf-Aquitaine	473	473
Europe 1	709	724
Gen. Eaux	1678	1660
Hachette	342.60	345
Havas	875	870
Imetal	375.10	372
Lafarge Coppee	1519	1530
Legrand	3710	3700
Oreal (L')	4280	4250
L.V.M.H.	3945	3975
Matra	315.10	312.20
Merlin Gerin	4265	4292
Michelin	203.90	200
Moulinex	131	132.20
Occidentale	880	884
Paribas	483.90	480
Pernod-Ricard	1305	1320
Perrier	1728	1725
Peugeot	1699	1703
Printemps (Au)	659	651
Radiotechnique	708	697
Raff. St. Louis	1319	1280
Redoute (La)	3350	3350
Roussel Uclaf	1625	1647
Saint Gobain	594	592
Sanofi	840	821
Ste. Rossignol	1119	1124
Societ. Generale	472	482
Suez	310.50	308
Telemecanique	4075	4199
Thomson-CSF	226	228
Total	440	440.60
Valeo	739	731

Bourse trend index : —0.08%
Previous : +0.46%

Singapore

	Close	Prev.
Cerebos	5.45	5.35
City Dev.	4.58	4.44
DBS	9.15	9.05
Fraser Neave	10	9.85
Genting	5.80	5.80
Harrisons Plant	2.04	2
Haw Par	3.24	3.22
Hume	3.14	3.12
Inchcape	5.40	5.35
Keppel	4.34	4.32
KL Kepong	3.42	3.46
Lum Chang	1.35	1.32
Malayan Banking	5.10	5.05
OCBC	9.25	9.05
OUB	3.72	3.54
OUE	7.70	7.40
Sembawang	4.70	4.44
Shangri-la	9	8.95
Sime Darby	3.82	3.82
SIA	13.60	13.50
S'pore Land	11.60	11.20
S'pore Press	6.85	6.95
S. Steamship	2.92	2.84
S. Trading	3.86	3.84
UOB	5.45	5.30
United Overseas	2.19	2.13

Straits Times Ind. : 1265.95
Previous : 1259.61

Stockholm

	Close	Prev.
AGA	261	267
Alfa Laval	370	370
Asea	500	500
Astra	240	245
Atlas Copco	336	340
Electrolux	325	324
Ericsson	450	451
Esselte	220	218
Handelsbanken	158	158
Pharmacia	191	191
Norsk Hydro	171.50	174
Saab-Scania	220	230
Sandvik	350	350
SCA	400	405
S-E. Banken	188	184
Skanska Inf	150	150
Skanska	505	505
SKF	520	525
Stora	410	417
SwedishMatch	158	158
Volvo	462	466

Affaersvaerlden : 1134.50
Previous : 1135.46

Sydney

	Close	Prev.
ANZ	4.80	4.79
BHP	7.44	7.46
Boral	3.36	3.42
Bougainville	2.50	2.50
Coles Myer	8.70	8.64
Comalco	3.63	3.65
CRA	8.44	8.36
CSR	4.35	4.42
Dunlop	4.19	4.17
Elders IXL	2.68	2.65
ICI Australia	6.18	6.16
Magellan	2.15	2
MIM	1.72	1.73
Nat Aust Bank	6.10	6.14
News Corp	12.35	12.25
N Broken Hill	3.45	3.46
Poseidon	2.45	2.45
QCT Resources	1.18	1.19
Santos	3.88	3.92
Thomas Nation	3.38	3.42
Western Mining	4.88	4.93
Westpac Banking	5.26	5.24
Woodside	2.17	2.17

All Ordinaries Index : 1492.30
Previous : 1491.20

Tokyo

	Close	Prev.
Akai	824	809
Asahi Chemical	1290	1260
Asahi Glass	2430	2400
Bank of Tokyo	1640	1640
Bridgestone	1600	1610
Canon	1680	1590
Casio	1370	1380
C.Itoh	1140	1140
Dai Nippon Print	2390	2340
Daiwa House	2140	2050
Daiwa Securities	2230	2240
Fanuc	5920	5870
Fuji Bank	3380	3360
Fuji Photo	3440	3440
Fujitsu	1440	1430
Hitachi	1620	1570
Hitachi Cable	1280	1280
Honda	1920	1870
Ito Yokado	3750	3760
Japan Air Lines	16900	16800
Kajima	2300	2320
Kansai Power	4540	4530
Kawasaki Steel	1080	1050
Kirin Brewery	2050	2050
Komatsu	1340	1340
Kubota	1290	1290
Kyocera	4680	4680
Matsu Elec Inds	2360	2310
Matsu Elec Wks	1890	1840
Mitsubishi Bank	3060	3070
Mitsubishi Kasei	1140	1140
Mitsubishi Elec	1120	1110
Mitsubishi Hvy	1120	1120
Mitsubishi Corp	1660	1650
Mitsui and Co	1200	1180
Mitsukoshi	2530	2540
Mitsumi	985	985
NEC	1780	1740
NGK Insulators	1790	1800
Nikko Securities	1840	1830
Nippon Kogaku	1480	1480
Nippon Oil	1690	1670
Nippon Steel	951	950
Nippon Yusen	1110	1120
Nissan	1550	1540
Nomura Sec	3440	3470
NTT	1570a	1570a
Olympus Optical	1310	1290
Pioneer	3160	3140
Ricoh	1340	1300
Sanyo Elec	937	928
Sharp	1310	1290
Shimazu	1500	1480
Shinetsu Chem	1960	1980
Sony	6700	6450
Sumitomo Bank	3470	3470
Sumitomo Chem	1040	1030
Sumi Marine	1340	1350
Sumitomo Metal	940	925
Taisei Corp	1810	1810
Taisho Marine	1360	1350
Takeda Chem	2330	2330
TDK	5480	5400
Teijin	931	916
Tokyo Marine	2080	2050
Tokyo Elec Pwr	6090	6090
Toppan Printing	2000	1950
Toray Ind.	1060	1040
Toshiba	1250	1210
Toyota	2600	2550
Yamaichi Sec	1800	1820

a: x1000.
Nikkei 225 : 33954.99
Previous : 33773.17
New Index : 2517.49
Previous : 2503.26

Zurich

	Close	Prev.
Adia	8225	8260
Alusuisse	1050	1064
Bank Leu	2925	3000
Brown Boveri	3470	3490
Ciba Geigy	3475	3520
Credit Suisse	N.Q.	—
Electrowatt	2900	2920
Georg Fischer	1325	1335
Hoffman R. Baby	16075	16200
Interdiscount	3525	3460
Jacob Suchard	7150	7370
Jelmoli	2350	2350
Landis Gyr	1270	1270
Moevenpick	5225	5275
Nestle	7500	7540
Oerlikon-B	1095	1110
Pargesa Holding	1690	N.A.
Sandoz	2020	2040
Schindler	5400	5400
Sulzer	435	447
Surveillance	5140	5150
Swissair	1025	1040
SBC	315	320
Swiss Reinsur	1745	1775
Swiss Volksbank	1790	1805
Union Bank	3210	3240
Winterthur	4675	4700
Zurich Ins	5090	5135

S.B.C. Index: 605.60
Previous : 609.50

Toronto *May 2*

Canadian stocks via AP

Sales	Stock	High	Low	Close	Chg.
4171	Abti Prce	$20⅛	19¾	20	+ ¼
14200	Agnico E	$10¼	10⅛	10⅛	— ⅛
93465	Air Canada	$11⅝	11⅜	11½	— ⅛
6679	Alt Energy	$16⅛	16	16	
2052	Alta Nat	$15⅞	15⅝	15⅞	
22725	A Barick	$22⅜	22⅛	22⅛	— ⅜
1200	Atco I f	$10⅜	10⅜	10⅜	
499005	BCE Inc	$37½	36⅞	36⅞	— ½
67801	BCED	310	295	295	—14
762	BP Canada	$17¼	17	17	— ½
983393	Bank N S	$16½	16⅜	16⅜	+ ⅛
3200	Baton	$12½	12⅜	12⅜	
162150	BCE Mobl	$32¾	31⅝	32¾	+ 1
505000	Bralorne	32	28	30	
1000	Bramalea	$30⅛	30	30⅛	
61303	BC Phone	$16	15⅝	15⅝	— ⅜
1000	Brunswk	$11	11	11	+ ⅛
212504	CAE	$14	13⅞	14	
2300	CCL A	$10	10	10	— ¼
2700	CCL B f	$10⅛	10	10⅛	+ ⅛
40800	Cambior	$12⅝	12⅜	12⅜	— ⅛
32025	Campeau	$17¼	16⅞	16⅞	— ⅜
6450	C Nor West	$7⅞	7⅞	7⅞	— ¼
14000	C Packrs	$13⅞	13⅝	13⅝	— ⅛
448886	Cl Bk Com	$29⅝	29¼	29⅜	+ ¼
3404	CP Forest	$43½	42⅞	43⅜	— ⅛
519337	CP Ltd	$23	22⅝	22⅞	— ⅜
207721	CTire A f	$20⅝	20	20⅝	+ ¼
125000	C Util B	$19⅝	19⅝	19⅝	
178100	Cantor	$24⅜	24¼	24⅜	
325	Cara	$16⅞	16⅞	16⅞	
702	Celanese	$32½	31¾	31¾	+ ⅛
3886	Cntrl Cap	$11⅝	11¼	11⅜	+ ⅛
589899	Cineplex	$18⅛	17⅝	18	+ ¼
1200	Comwest A	$12⅛	12⅛	12⅛	
99513	Corona A f	$7½	7¼	7⅜	
52800	Crownx	$12¼	12	12⅛	+ ⅛
2200	Denison A p	$5¼	5⅛	5⅛	
4790	Denison B f	495	490	495	+ 5
31600	Derlan	$13⅜	13½	13½	— ¼
2151	Dicknsn A f	495	485	490	— 5
41392	Dofasco	$28	27¾	27¾	— ⅛
300	Donohue	$13½	13½	13½	
11900	Du Pont A	$25	24½	24⅝	— ⅛
15986	Dylex A f	$12	11⅞	12	+ ¼
2500	Emco	$11⅝	11⅝	11⅝	
13000	Equty Svr A	435	425	435	
1600	FCA Intl	$8⅜	8¼	8¼	+ ⅛
8575	FPI Ltd	$8¾	8⅝	8⅝	— ⅛
167669	Fcnbrdge	$31⅛	30⅞	31	— ⅛
1652	Fed Ind A	$15⅛	15⅜	15⅛	+ ⅛
68900	Fed Plan	$13⅜	13⅛	13½	
500	F City Fin	$24½	24½	24½	+ ¼
10120	Fiet CCan A	$17¼	17⅛	17⅛	+ ⅛
7850	Fiet C Inv	$21¼	21	21⅛	
1132	Gendis A	$20⅛	20⅛	20⅛	
2401	GE Canada	$24¼	24⅛	24⅛	— ¼
8200	Gibraltar	$10¼	10⅛	10¼	
6240	Goldcorp f	460	455	455	— 5
200	Grafit G	$11¾	11¾	11¾	— ¼
275	Hayes D	$13⅜	13⅜	13⅜	— ⅛
33175	Hees Intl	$31⅝	31⅜	31⅝	+ ¼
176900	Hemlo Gld	$12⅝	12⅜	12⅜	— ½
200	Hollingr I	$14	14	14	+ ⅛
4037	H Bay Co	$26	26	26	
22500	Imasco L	$31	30¾	31	+ ⅛
10122	Inland Gas	$13⅛	13⅛	13⅛	
14520	Intl Thom	$16⅛	16	16	— ⅛
2123	Interhome	$46¼	46	46¼	+ ⅛
55	Ipsco	$18½	18½	18½	
1800	Ivaco A f	$12	11⅞	11⅞	— ⅛
27210	Jannock	$17⅞	17⅝	17¾	— ¼
150	Kerr Add	$18⅞	18⅞	18⅞	— ½
16834	Labatt	$23	22¾	23	+ ¼
5200	Lablaw Co	$11½	11½	11½	
2300	Lumonics	$7½	7½	7½	
4200	Maono A f	$12⅝	12½	12½	— ⅛
76084	Mclen H X	$12½	12⅛	12⅜	
5885	Maritime f	$16⅞	16½	16¼	+ ⅛
27187	Mark Res	$8⅝	8½	8½	
1100	Minnova	$20½	20¼	20¼	
121024	Molson A f	$35	33⅞	34¼	+ ⅜
1000	Molson B	$35	35	35	+1½
332	N-W Gr	$5⅛	5⅛	5⅛	— ⅛
53690	Noranda F	$14¼	13⅞	14¼	+ ⅜
218583	Noranda I	$22¼	21⅞	21⅞	— ¼
2367	Norcen	$24⅝	24⅛	24⅛	— ¼
329881	Nova Cor f	$11⅝	11½	11½	
25500	Nowsco W	$15⅛	14⅞	15	+ ⅛
4525	Onex C f	$13⅞	13¾	13¾	— ⅛
1950	Oshawa A f	$24	23¾	23¾	— ¼
176407	PWA Corp	$15⅛	15⅛	15⅛	
200	Pamour	$7⅛	7⅛	7⅛	
4300	PanCan P	$25¼	25	25¼	
161848	Placer Dm	$15	14⅞	14⅞	— ⅛
157800	Poco Pete	$7⅜	7	7⅛	+ ⅛
1000	Que Sturg a	190	190	190	
2000	Rayrock f	$7¾	7¾	7¾	
4146	Redpath	$20⅝	20⅛	20⅛	+ ⅛
40378	Renisanc	$15	14⅞	15	+ ⅛
10985	Rogers A	$115	106	115	+ 8
36769	Rogers B f	$97	91	95½	+4½
1200	Roman	$12	11½	11½	
475125	Royal Bnk	$42¼	41¾	42⅛	+ ⅜
20187	Ry Trco	$16⅜	16⅛	16⅜	
48266	Sceptre R	415	410	410	
6610	Scotts f	$16⅞	16½	16⅝	— ¼
14210	Sears Can	$13	12⅞	12⅞	
28060	SHL Systm	$10⅛	9⅞	10	+ ⅛
13981	Shell Can	$45½	45⅛	45½	
65900	Sherritt	$14½	14½	14½	
9289	Southam	$31⅝	31⅜	31½	
23589	Spar Aero f	$16	15	15¾	+ ⅛
27607	Stelco A	$22⅞	22½	22⅝	
40200	TCC Bev	$9⅞	9⅝	9¾	+ ⅛
5000	Teck Cor A	$19	19	19	
58890	Teck B f	$18	17¾	17¾	— ⅛
703	Tex Can	$40½	40½	40½	— ⅛
41400	Thom N A	$26⅞	26⅜	26⅞	+ ¼
299586	Tor Dm Bk	$40⅝	40⅛	40½	+ ⅛
2800	Torstar B f	$31⅞	31¾	31¾	— ⅛
1480	Trns Mt	$14¼	14	14¼	+ ⅛
31080	TrnAlta U	$14	13¾	14	+ ⅛
245082	TrCan PL	$14¼	14	14¼	+ ⅛
217295	Trimac	390	385	385	
110075	Trilon A	$20½	20⅛	20¼	
1000	Trizec A f	$33	33	33	
116482	Turbo	77	74	75	— 1
300	Unicorp A f	$7⅞	7⅞	7⅞	
2554	U Entprise	$9⅝	9⅝	9⅝	+ ⅛
1300	U Keno	350	350	350	— 5
200	VGM Cap	390	390	390	— 5
11423	Westmin	$10½	10⅛	10¼	+ ⅛
17945	Weston	$37½	37⅛	37½	— ⅛
3586	Woodwd A	$5⅞	5⅝	5¼	+ ⅛

Total sales 25,428,490 shares

	Close	Previous
TSE 300 Index:	3,604.90	3,613.20

Montreal *May 2*

Sales	Stock	High	Low	Close	Chg.
233014	Bank Mont	$31⅛	30⅞	31	+ ⅛
1800	BombrdrA	$11⅞	11⅝	11⅝	— ⅛
19130	BombrdrB	$11⅞	11⅝	11⅝	
2801	CB Pak	$19⅝	19½	19⅝	+ ⅛
18930	Cascades	$05⅞	05⅜	05⅞	
6208	DomTxtA	$14⅛	14½	14½	
9430	Memotec	$11⅛	11⅛	11⅛	
173852	NatBk Cda	$14¼	13⅞	13⅞	— ⅛
18772	Noverco	$11⅞	11⅝	11⅞	+ ¼
101420	Power Corp	$15⅜	15⅛	15⅛	
109067	Provigo	$09⅛	09⅛	09⅛	+ ⅛
1600	SteinbrgA	$37	37	37	
23080	Videotron	$17	16⅞	16⅞	+ ⅜

Total Sales 7,468,036 shares.

	Close	Previous
Industrials Index:	1,598.79	1,609.58

Market Closed

The stock market in Sao Paulo was closed Monday for a holiday and Madrid was closed Tuesday for a holiday.

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SPORTS

On the Road With Stirling Moss, This Time in Slow Motion

By Stewart McBride
Special to the Herald Tribune

BRESCIA, Italy — Sliding his 1955 silver Mercedes 300 SL gullwing through another slippery hairpin on the Apennines's Futa Pass, Stirling Moss downshifted into third and nipped inside the blood red 1932 Alfa-Romeo.

Stopwatch in hand, I was riding shotgun and hanging on for dear life.

The legendary Moss, celebrated as "the greatest racing driver never to win a world championship" has yet to lose his knack for turning his passenger's knuckles white. The veteran British ace turns a feisty 60 years old this September and, as if he were feting the occasion early, Moss last weekend relived his finest hour, his victory in the 1955 Mille Miglia (Thousand Miles), the perilous race on public roads from Brescia to Rome and back.

I was invited along to clock his times and witness a maestro at work.

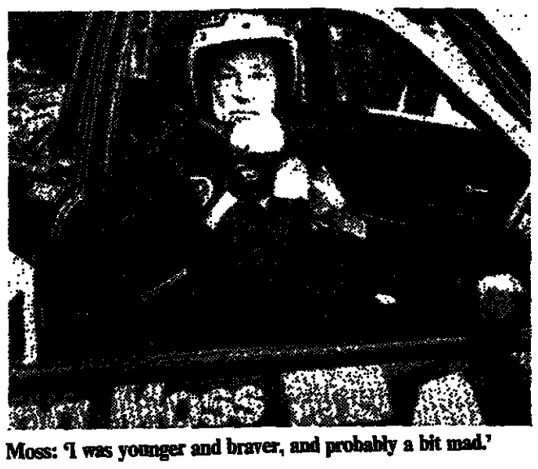
Moss was driving in a vintage-car rally, organized by the Musical Watch Veteran Car Club of Brescia to commemorate the 60th anniversary of the first Mille Miglia race, held in 1927.

Three decades ago in the arduous 1,000-mile (1,600-kilometer) motor marathon, Moss and his growling Mercedes 300 SLR barreled at 180 mph through the Tuscan countryside, gearing down to 90 mph to circumnavigate the Vatican and the candy-striped duomo in Florence. Not only did Moss become that year the only British driver to win the Mille Miglia, then the world's most dangerous road race, his speed record (an average of 98 mph) was never broken.

In 1962 Moss retired from racing after a near-fatal Grand Prix accident, in which he broke almost every bone on the left side of his body and, afterwards, lay in a coma for 40 days. Today, he has come back as exuberant as ever and is racing vintage sports cars on tracks from Germany's Nürburgring to California's Laguna Seca.

During the 1955 Mille Miglia, Moss stopped neither to eat nor sleep and barely had time to refuel and change tires. In this year's rally, however, he sprinted from checkpoint to checkpoint leaving plenty of time en route to sample the local trattorias, catch a couple siestas by the side of the road, and sign a few thousand autographs for his Italian fans.

Some 5 million rain-soaked Italians waited along the route and cheered Moss as if he were Caesar returning triumphantly to Rome. He did not disappoint them. Moss finished a respectable 21st among more than 300 international entries in the rally, and he won the coveted Republic of San Marino stirling silver trophy for placing first among the non-Italian competitors.



Moss: 'I was younger and braver, and probably a bit mad.'

"I wasn't even born when Stirling won the '55 Mille Miglia, but he's a racing legend," said Peter Livanos, co-owner of Aston Martin, the English sports car manufacturer.

"When he speeds by you in that old Mercedes you feel like a part of racing history," added Livanos, a New Yorker who competed here in a rare 1931 Invicta and placed first among the 41 American entries.

In a road rally, as opposed to a race, points are awarded not for the fastest time but to the driver who can maintain precise speeds between a series of checkpoints along the route. Arrival times are measured within hundredths of a second. The vintage rally spent three days covering the same 1955 Mille Miglia course that Moss completed in a staggering 10 hours, 7 minutes, and 48 seconds in 1955.

"Every time I drive the route now, it astounds me how fast we did it back then," said Moss as he passed a 1938 Czech Jawa Minor sports car sputtering down the Adriatic coast rode. "I was younger and braver back then and probably a bit mad, too."

Ari Vatanen, winner of the 1989 Paris-Dakar rally, veteran racers Jackie Ickx and Olivier Gendebien, as well as Prince Michael of Kent were among the competitors driving priceless Ferraris, Bugattis, Masseratis, and Aston Martins, all built between 1927 and 1957, the era in which the Mille Miglia was run as a pure race.

The Mille Miglia was organized in 1927 by Count Avmo Maggi with the support of Mussolini, who hoped it would boost flagging Italian car sales. It ran for three decades but was canceled in 1957 when a Spanish nobleman, the Marquis Fon de Portago, crashed his Ferrari, killing himself and nearly a dozen spectators.

Tracing his 1955 route around the Italian boot, Moss began his three-day odyssey Friday night in Brescia as he rolled down the famous starting ramp on Viale Rebuffone. The rally's first leg ran through Verona and Padua on roads whose cobblestones were already ancient when Shakespeare was writing his tale of Romeo and Juliet. Early Saturday morning the vintage caravan zoomed south from Ferrara to Ravenna and down the Adriatic coast past Rimini, detouring through the republic of San Marino, arriving in Rome shortly before midnight.

After Sunday breakfast near Vatican City, Moss and his Mercedes sped north along a Roman road traveled by Julius Caesar. In a few hours he was attacking the tortuous road snaking toward the mountain village of Radicofani.

Following a lunch of prosciuto sandwiches and strawberry gelati outside Siena, he passed Florence and tackled the steep Futa and Raticosa passes in the the Apennines.

Moss then headed to Bologna, home of Europe's oldest university, to Parma and finally back to Brescia for a sumptuous banquet on May Day. Accepting his magnificent trophy, Moss was all smiles.

"In an Italian race without an Italian car," he impishly mused, "you can't expect to finish better than best non-Italian."

SIDELINES

St. Kitts Cattle Said to Get Steroids

TORONTO (Reuters) — Ben Johnson's doctor bought large quantities of steroids for a rancher in St. Kitts to increase the size of cattle used for human consumption, according to testimony at the Canadian inquiry into drugs in sports.

Don Hiatt, the rancher, said Monday that he first asked Dr. Jamie Astaphan to buy him steroids in 1983. Astaphan has been accused of supplying steroids to Canadian Olympic athletes, including Johnson, who was stripped of his gold medal and world record in the 100 meters sprint after testing positive for drugs at last year's Seoul Games.

Hiatt said he talked to Astaphan in 1983 about supplying him with Winstrol V pills, a brand name for the steroid Stanozolol, to increase muscle bulk on his animals in order to fetch higher prices. He said Astaphan supplied him with between 25 and 30 bottles, or 2,500 to 3,000 pills, each year between 1983 and 1987.

Earlier testimony from drug companies in Canada established that Astaphan bought large quantities of veterinary steroids but was never questioned about it.

World Cup Golf Offers $1 Million Pot

GREENWICH, Connecticut (AP) — This year's World Cup Golf will offer a substantial increase in prize money with a total purse of $1 million, the International Golf Association has announced.

Both winning team members will receive $120,000 dollars, and the International Trophy, going to the player with the lowest individual score, will be worth $50,000. This year's 72-hole tournament will be held Nov. 16-19 at Las Brisas in Spain.

Group Assails Scottish Rugby Ruling

WELLINGTON (AP) — The organizers of the Commonwealth Games, to be held in Auckland next year, on Tuesday condemned a decision by the Scottish Rugby Union to allow individual players to accept invitations to play in South Africa this year.

The South African Rugby Board is celebrating its centenary this year and is expected to issue invitations for players to take part in matches there.

David Johnson, the Commonwealth Games chairman, said the actions of the SRU saddened the organizers and said the union did not understand the principles of the Gleneagles Agreement of Commonwealth nations, which restricts sports links with South Africa because of that country's policy of racial separation.

"We expect Commonwealth leaders, African, Asian and others, will condemn the Scottish action and rightly so. We certainly do," Johnson said in a prepared statement.

For the Record

P.J. Carlesimo, the basketball coach of Seton Hall, ended talks Monday with the University of Kentucky and will remain at Seton Hall, the school he took to the finals of of the 1988 National Collegiate Athletic Association championship. *(AP)*

Kareem Abdul Jabbar, the Los Angeles Lakers' center, who will end his 20-year National Basketball Association career after the playoffs, will lead a team of U.S. basketball players on a tour of Australia and Asia in July, promoters said Tuesday. The team will play three games against the Australian national team from July 24-28 and a game in Taiwan on July 29. Negotiations are under way for a game in Hong Kong. *(AP)*

Bela Karolyi, the gymnastics coach from Romania who has trained young American athletes in Houston since defecting to the United States in 1981, became a U.S. citizen Monday, along with his wife, Marta, and daughter Andrea, 15. *(AP)*

Terry O'Reilly has resigned after nearly three seasons as coach of the Boston Bruins, saying he wanted to spend more time with his family. *(AP)*

Chris Antley's record 64-day consecutive winning streak ended Monday when the jockey failed with five mounts at the Aqueduct Race Track in New York. During his streak, which began Feb. 8, Antley had 26 multiple-win days, including five on March 27. The streak included a total of 147 winners out of 486 mounts. *(AP)*

Warriors' Guard Voted Top Rookie

The Associated Press

OAKLAND, California — Mitch Richmond, who helped the Golden State Warriors vastly improve their record in the National Basketball Association, has been named Rookie of the Year.

The Warriors' first-round draft choice from Kansas State, Richmond averaged 22 points per game, 16th best in the NBA, along with 5.9 rebounds and 4.2 assists.

"He's as good as anybody that I've ever coached," said Don Nelson, coach of the Warriors.

Richmond, a shooting guard, was an easy winner in the balloting. He received 80 of 85 votes from a panel of U.S. sports writers and broadcasters. Willie Anderson of the San Antonio Spurs received four votes, and Chris Morris of the New Jersey Nets drew one vote.

Reuters-UPI

Mitch Richmond

The 6-foot-5 (1.95-meter) 225-pound (102-kilogram) Richmond, a member of the 1988 U.S. Olympic team, started all 79 games he played as the Warriors improved their record by 23 victories over last season. The Warriors this year had a record of 43-39 and earned their second playoff berth in 12 years.

Flyers Shock Canadiens at Home, 3-1

By Robert Fachet
Washington Post Service

MONTREAL — If the Philadelphia Flyers were tired and hurt, they hid it well. Scoring two shorthanded goals, the Flyers rode Ken Wregget's 24-save goaltending to a 3-1 victory over the Montreal Canadiens in the opener of the best-of-seven Prince of Wales Conference championship.

For the Canadiens, goalie Patrick Roy suffered his first defeat in 35 games at the Forum this season. Roy never has beaten Philadelphia.

The Flyers are fond of saying that it is necessary to pay a price to win. They paid heavily tonight, as winger Brian Propp was taken to Montreal General Hospital with a concussion and a cut lip after he was slammed into the glass by Chris Chelios in the second period.

Philadelphia wrapped up a seven-game series in Pittsburgh Saturday and arrived here with a lengthy injury list that included goalie Ron Hextall. Meanwhile, Montreal was coming off a six-day layoff, its second extended rest of the playoffs.

"You never know how that kind of situation will turn out," said Philadelphia Coach Paul Holmgren. "We were riding a little wave of emotion carried over from the last series and they were rusty. I was hoping it would work out that way, but you never know until you step on the ice."

STANLEY CUP PLAYOFFS

It was obvious from the start that the Canadiens were having trouble finding their legs. They were especially inept on the power play and the Flyers had good shorthanded scoring chances during all five of Montreal's man advantages.

On the second, at 13:45, Chelios lost control at the Philadelphia blue line. He dove vainly at the puck, which was scooped up by Derrick Smith for a breakaway goal.

That was the only score of the first 51 minutes, although Montreal put good pressure on Wregget while mounting an 11-3 shot margin in the scoreless second period.

Suddenly, the red lights began flashing as the two teams combined for three goals in 110 seconds midway through the third period.

Each team scored while Flyer Ron Sutter served a penalty for holding Chelios. First it was Ilkka Sinisalo of the Flyers, after a Dave Poulin pass struck defender Eric Desjardins' stick and went directly to Sinisalo for a breakaway. Playing only his third game after a layoff of more than three months with a broken arm, the Finn put a backhander past Roy with 8:41 remaining.

"They got some breaks," the Canadiens' coach, Pat Burns, said. "On that goal, Desjardins had his stick in the air and the puck hits it and goes right to their guy. If you want to win in the NHL, you have to have the breaks."

The Canadiens salvaged the power play 47 seconds later when Shayne Corson banged a rebound past Wregget, left out of position after making the initial save on Russ Courtnall.

It took the Flyers only 63 seconds to deflate the Canadiens. Al Secord from behind the Montreal net passed out to Rick Tocchet near the left post and Tocchet slid the puck across the crease inside the far post.

Propp, who had recorded 12 playoff goals, had his head rammed into the glass by Chelios' elbow in the second period and lay bleeding on the ice before he was carried off on a stretcher.

Referee Kerry Fraser made no call on the play.

BOOKS

DOUGLAS MacARTHUR: The Far Eastern General

By Michael Schaller. 320 pages. $22.50. Oxford University Press, 200 Madison Avenue, New York, N. Y. 10016.

Reviewed by Ronald H. Spector

AT the end of 1940, Theodore White, then a young reporter for Time magazine, was invited by General Douglas MacArthur for a drink in the general's palatial suite in the Manila Hotel. As the two men watched the magnificent Manila Bay sunset, MacArthur turned to his guest and declared, "It was destiny that brought us here, White, destiny! By God it is destiny that brings me here now."

Douglas MacArthur is arguably the best known American general of the 20th century. For many Americans of the 1940s and early '50s he was a greater national icon than the president of the United States. So towering was his reputation in World War II that even today many Americans credit him with victories in the Pacific actually won by the U.S. Navy and Marine Corps in islands where MacArthur never set foot. Throughout his life he was hailed not only as a military genius, but as a far-sighted statesman with unique insight into world affairs.

Michael Schaller's "Douglas MacArthur: The Far Eastern General" takes direct aim at this heroic image of MacArthur's military genius and statesmanship, an image still reflected in many segments of the popular press and in William Manchester's best-selling "American Caesar."

Schaller completes the demolition job on the general's military reputation begun by scholars such as D. Clayton James, Gavin Long and Carol Petillo, and continued most recently by Stanley Falk and other contributors to William Leary's "We Shall Return."

Like Falk, Schaller argues that MacArthur was victorious mainly when he possessed overwhelming superiority against the Japanese, especially in air and naval forces. His casualty rates remained low during 1943 and much of 1944 in part because the Joint Chiefs of Staff "prevented him from embarking on excessively wild or dangerous operations."

Yet Schaller's main interest is in MacArthur's relationship to Asia, an area about which MacArthur claimed, and was widely accorded, a unique expertise. Like many academic historians of his generation, Schaller sees the unfolding of American-East Asian relations from 1945 to the 1970s as a story of parochialism, misperception and lost opportunities, of partisan politics and personal ambition masquerading as high principle, all leading inexorably to the tragedy of Vietnam. In this story, MacArthur plays a key role.

Yet despite his many years in the Philippines, MacArthur's knowledge of Asia was shallow and outdated. He understood little about postwar Asian nationalism and less about Asian communism. His outlook was, in many ways, essentially that of his father, General Arthur MacArthur, hero of the U.S. Civil War and Philippine Insurrection with whom Douglas had made an extended Asian tour in 1905. Moreover, Schaller argues, MacArthur's actions and pronouncements in Asia were always taken with an eye on his own reputation and political ambitions in the United States. Schaller finds a close connection between MacArthur's actions overseas in peace and war and his abiding interest, one might say obsession, with presidential politics back home.

Ronald H. Spector, professor of history at the University of Alabama, wrote this for The Washington Post.

BEST SELLERS

The New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

This Week		Last Wk	Weeks on List
1	THE SATANIC VERSES, by Salman Rushdie	1	9
2	A PRAYER FOR OWEN MEANY, by John Irving	3	6
3	STAR, by Danielle Steel	2	10
4	THE JOY LUCK CLUB, by Amy Tan	4	4
5	THE NEGOTIATOR, by Frederick Forsyth	10	3
6	WE ARE STILL MARRIED, by Garrison Keillor	5	4
7	KILLSHOT, by Elmore Leonard	11	3
8	BILLY BATHGATE, by E.L. Doctorow	6	9
9	THE EDGE, by Dick Francis	8	10
10	BREATHING LESSONS, by Anne Tyler	7	29
11	CAT'S EYE, by Margaret Atwood	9	11
12	THE LONG DARK TEA-TIME OF THE SOUL, by Douglas Adams	10	8
13	THE CARDINAL OF THE KREMLIN, by Tom Clancy	13	39
14	MIDNIGHT, by Dean R. Koontz		12
15	THE FORTUNE, by Michael Korda	15	10

NONFICTION

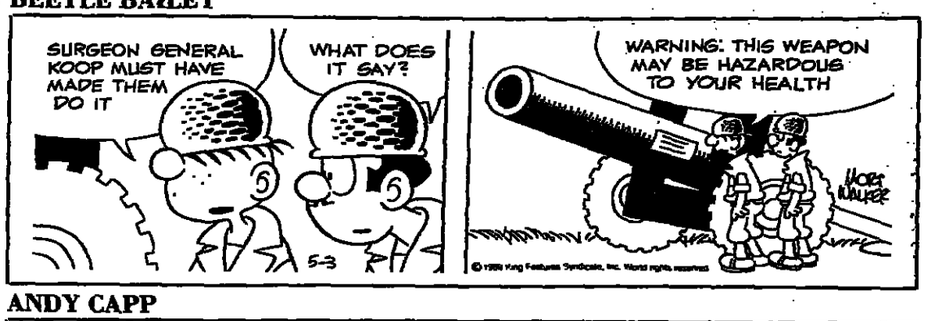
1	ALL I REALLY NEED TO KNOW I LEARNED IN KINDERGARTEN, by Robert Fulghum	1	26
2	LOVE AND MARRIAGE, by Bill Cosby		1
3	A BRIEF HISTORY OF TIME, by Stephen W. Hawking	2	54
4	BLIND FAITH, by Joe McGinniss	3	14
5	CITIZENS, by Simon Schama	11	3
6	"FUNNY, YOU DON'T LOOK LIKE A GRANDMOTHER," by Lois Wyse	6	7
7	OUT OF THE BLUE, by Orel Hershiser with Jerry B. Jenkins	5	2
8	THE BLOODING, by Joseph Wambaugh	8	11
9	INNUMERACY, by John Allen Paulos	10	10
10	INTELLECTUALS, by Paul Johnson	9	5
11	WORDSTRUCK, by Robert MacNeil	7	3
12	GOLDWYN, by A. Scott Berg		1
13	SECOND CHANCES, by Judith S. Wallerstein and Sandra Blakeslee	14	6
14	"WHAT DO YOU CARE WHAT OTHER PEOPLE THINK?" by Richard P. Feynman with Ralph Leighton	12	19
15	LEGENDS, LIES, AND CHERISHED MYTHS OF AMERICAN HISTORY, by Richard Shenkman	13	13

ADVICE, HOW-TO AND MISCELLANEOUS

1	GOING WITHIN, by Shirley MacLaine	1	13
2	WEALTH WITHOUT RISK, by Charles J. Givens	1	14
3	THE 8-WEEK CHOLESTEROL CURE, by Robert E. Kowalski	2	95
4	THE WAY THINGS WORK, by David Macaulay	4	12
5	ONE UP ON WALL STREET, by Peter Lynch with John Rothchild	3	7

PEANUTS

BEETLE BAILEY



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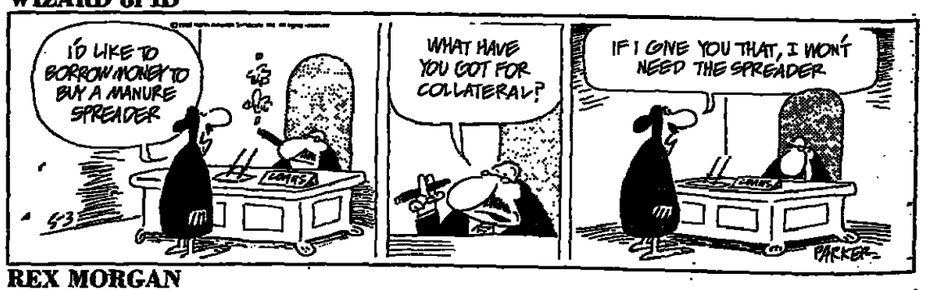
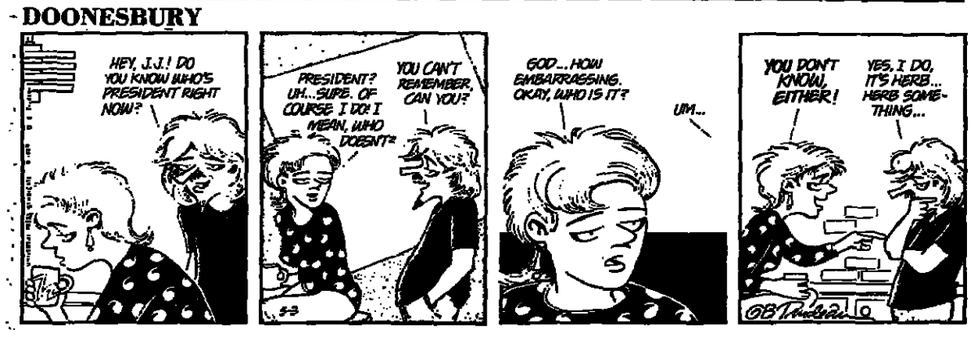


REX MORGAN

GARFIELD

DOONESBURY



DENNIS THE MENACE

"BUT I DON'T HAVE ANY BUSINESS OF MY OWN TO MIND!

JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

NONAY

DAPIL

LAPLOW

INTEWG

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: A _____ "_____"

(Answers tomorrow)

Yesterday's Jumbles: EXILE LAPEL PRISON COMPLY
Answer: What you might find at that mom and pop tire shop—A NICE "SPARE"

BLONDIE

SPORTS

The Transcendent Maradona

On the Field, at Least, the Little Man Does Deliver

International Herald Tribune

ROB HUGHES

LONDON — The nectar of sport is at its best when a genuine superstar displays the desire to make history.

It is so with Diego Armando Maradona.

Whatever our misgivings about his flawed sportsmanship, we cannot deny that the little man delivers on the big day.

Wednesday promises to be a Maradona special. He leads Napoli into its first European final, delivering a promise to reach out for trophies beyond Italy.

The UEFA Cup, it's true, is the continent's third most important prize, its home-and-away, two-leg formula dissipating the taste somewhat.

But Maradona is thrilled to the core, and Maradona in pursuit of happiness transcends the team game.

Naples has danced to his tune for almost five years. It received him as a saint and has since upgraded him because, as I said, he delivers.

Neopolitans had dreams, and then they had Maradona. Because dreams are the sustenance of poor romantics, this seething southern Italian outpost imposes no perspective on soccer's relative unimportance to everyday life.

It was so from the start: "We have no mayor, housing, schools, employment, buses, sanitation, money or ideas," wrote Tuttanapoli, the local newspaper. "But we've got Maradona."

Naturally, the club could not afford him. Overdrafts from the Banco di Napoli and Banca della Provincia funded the $7 million bid, plus the star's $1.5 million annual salary.

The city, writer Luigi Compagnone suggested, was buying an idol to cover its sores.

He came and he conquered. Before Maradona, Napoli had won no Italian League title and no place at the table of European giants.

In 1987, Maradona (with a little help from 10 more mortal soccer players) captured the league championship.

This year (with help from a much-changed supporting cast) he is on the brink of the UEFA Cup.

The winning of it is a foregone conclusion, according to tens of thousands who festoon the streets with posters edged in black to signify the demise of the visiting VfB Stuttgart.

Those who cringe at the lack of taste in grieving soccer-times have no conception of what the game means down on the shin of Italy.

It pulsates through the poorest quarters and through warrens of crime and deprivation. Maradona is welcomed there as in the Vatican.

So 78,000 people will have begged, stolen or borrowed to buy a ticket for San Paolo stadium on Wednesday. They will have paid another $3 million — twice Maradona's basic yearly wage — in anticipation of more deliverance.

When, rather than if, it happens the streets will come alive to musicians and Vesuvius will crackle with fireworks as they did when la Maradona brought home Italy's championship trophy.

His teammates will have to read their bank balances or look for mirrored reflections of whatever part they play.

Tell me who scored three of the four goals that took Napoli through the UEFA semifinal?

It was Careca, the Brazilian who for two years now has outscored everyone in Italy and still not jumped out of the shadow.

Most reports describe Careca's finishing as mere brush strokes on the end of Maradona's genius.

The same happened to Alemao, a second Brazilian on Napoli's team, last Sunday. Alemao, fighting back after hepatitis, scored the only goal of Napoli's league victory over Verona.

He was mentioned as the beneficiary of Maradona's upsurge in form; the press eulogized Maradona's defiance of a thigh injury in time for the UEFA final.

It is bad enough being a foreign mercenary trying to make an honest million. Imagine the inferiority that must creep into Italians such as Fernando de Napoli, whose aggressive midfield work is more appreciated on his occasional games for the national team than Naples.

Imagine, too, upwardly mobile young men such as right back Ciro Ferrara. In any other time Ferrara, 22, might be a hero in his home city.

But Ferrara has been taught to ask, and others willingly repeat, where would they be without *him*?

Even the team coach, Ottavio Bianchi, has had enough of second fiddle to an idol. Last year Bianchi's players mutineed; the president, Corrado Ferlaino, dismissed some, including a key man, Salvatore Bagni.

But he did not quiet Maradona.

Stuttgart hasn't a Maradona. Stability is its forte; among the stalwarts who remained after Stuttgart won the West German league in 1984 is sweeper Karl Allgöwer, 31.

He strides forward to snatch crucial goals, including Stuttgart's only goal in each semifinal leg against Dynamo Dresden.

Not being a superstar, Allgöwer praises the midfield generalship of Icelander Asgeir Sigurvinsson and the defending of Yugoslav Srecko Katanec for giving him the freedom to counter-attack.

But some say Stuttgart is not the same without striker Jurgen Klinsmann, who is soon to become the property of Inter Milan.

Klinsmann was rushed back after a serious ankle injury, but then fell out with a referee and now misses the game in Naples through suspension.

Stuttgart might thus try to contain — if that is possible with Maradona in the mood.

You see, go round and round we go, and back to Maradona.

His popularity survived accusing fingers when, last May, Napoli lost the Italian title from a winning position.

Maradona was injured, but word spread as quick as pickpockets' fingers, that players were bribed $230,000 each to lose.

Those bribes were supposed to come from the local mafia, the Camorra, who run the *toto nero*, or black betting pool.

And few eyebrows rose this March when Maradona attended the wedding of Camorra leader Luigi Giuliano.

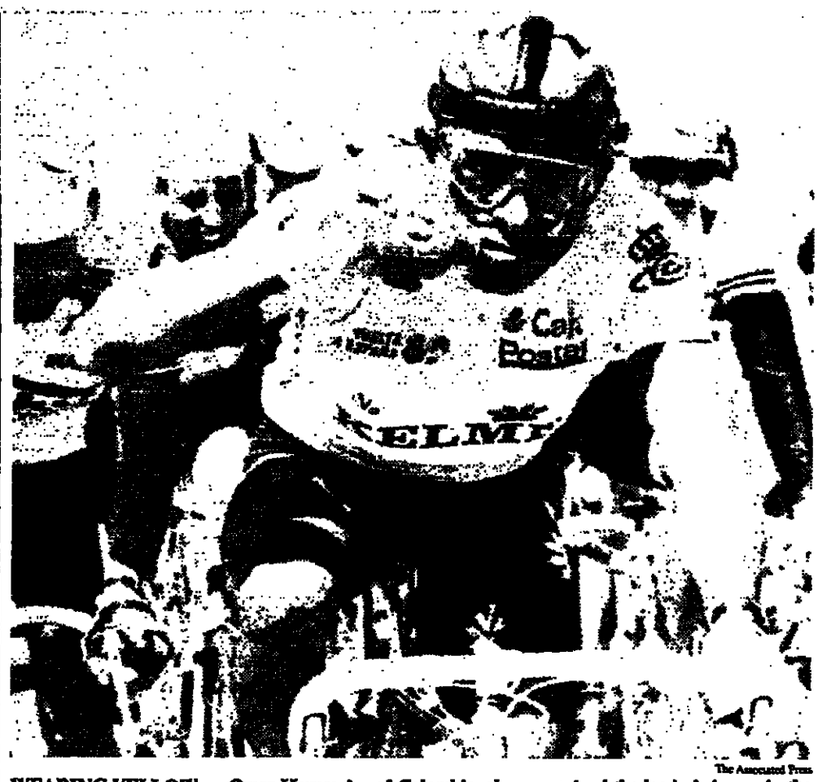
"I'm an adult and I go where I want," shrugged Maradona. "As I saw it, they were just a group of Napoli supporters. I didn't ask to see their visiting cards."

And no one had to ask for his.

Rob Hughes is on the staff of the Sunday Times

The Associated Press

Maradona, left, hugs Careca after UEFA semifinal.



The Associated Press

WEARING YELLOW — Omar Hernandez of Colombia, above, retained the leader's jersey in the Tour of Spain on Tuesday, a minute ahead of Peter Hilsen of West Germany. The race ends May 15.

Reds Shell Expos: 21 Hits, 19 Runs In a 'Crazy' Game

The Associated Press

BASEBALL ROUNDUP

Paul O'Neill drove in five runs and Jeff Reed had five hits Monday night as the Cincinnati Reds routed Montreal 19-6, the most runs ever scored against the Expos.

Cincinnati was without its manager, Pete Rose, who remained in his Montreal hotel with the flu. Coach Tommy Helms managed the team in Rose's absence.

The Reds had 21 hits, the most since they had 20 in a 12-10 victory against the New York Mets in 1980.

"It was one of those crazy games where everything was falling in for us," Reed said.

The 19 runs given up by Montreal topped the previous club record, set in a 17-5 loss to Houston on Aug. 17, 1972.

"We were terrible in every phase of the game," Montreal manager Buck Rodgers said. "You play 162 games, you're going to have nights like that."

Second baseman Tom Foley was Montreal's fourth pitcher. He relieved Joe Hesketh, who gave up nine runs and six hits in 1⅓ innings, and allowed a two-run homer to Reed in the eighth. Foley then got Ron Oester to ground out to end the inning.

Chris Sabo had four hits and drove in four runs for the Reds. Barry Larkin and O'Neill had three hits each.

Mets 3, Braves 1: In Atlanta, Dwight Gooden allowed six hits in seven-plus innings to improve to 5-0. It was the Braves' seventh straight loss. It was the seventh victory in eight games for the Mets. The Mets took a 1-0 lead in the third on Howard Johnson's RBI double. Johnson has hit in eight straight games, going 14-for-33.

Cardinals 6, Padres 0: In San Diego, Jose DeLeon pitched a six-hitter. He walked one and struck out eight, for his 50th career victory. Milt Thompson led off the third with a single, moved to second on a sacrifice and scored on Vince Coleman's single.

Dodgers 1, Pirates 0: In Los Angeles, pinch-hitter Mickey Hatcher scored Mike Davis with a bases-loaded sacrifice fly in the ninth. Davis drew a leadoff walk against Doug Drabek. After Eddie Murray's single put runners at first and third, Mike Scioscia was intentionally walked.

Cubs 4, Giants 3: In San Francisco, Damon Berryhill, just off the disabled list, led off the 12th inning with a home run. Berryhill was placed on the disabled list April 3 with tendinitis in his right shoulder.

Red Sox 13, Twins 6: In Minneapolis, the Twins' lost their seventh in eight games. Wade Boggs struck out to open the game, but seven straight Red Sox reached base against Allan Anderson, including Jim Rice, who hit a two-run double, and Dwight Evans, who hit a two-run triple. When Boston got back to the top of the order, Boggs doubled against Juan Berenguer. Boggs had just one hit, but drove in runs on a sacrifice fly, a groundout, and a bases-loaded walk.

White Sox 6, Brewers 0: In Chicago, Jerry Reuss won his 39th shutout and Ron Kittle hit a three-run homer. It was Reuss's first shutout since 1987.

Indians 11, Rangers 1: In Arlington, Texas, former Ranger Jerry Browne drove in four runs and Rich Yett and Keith Atherton combined on a six-hitter as Texas lost for only the sixth time in 23 games.

Mariners 5, Tigers 3: In Seattle, Jack Morris became the first Detroit pitcher in 36 years to start the season 0-6. Alvin Davis's sacrifice fly snapped a seventh-inning tie, and Jeffrey Leonard followed with an RBI single.

VANTAGE POINT/Thomas Boswell

In Nolan Ryan's Case, Facts Must Be Forgiven

Washington Post Service

Nolan Ryan is a great pitcher. Nolan Ryan belongs in the Hall of Fame.

There, I did it. It didn't kill me.

I give up. This month has been the last straw. When Ryan took a no-hitter into the eighth inning two weeks ago for the Texas Rangers, then finished with a one-hitter and 15 strikeouts, my knees buckled.

Then last week, Ryan, going for his sixth career no-hitter, was foiled with one out in the ninth. He "settled" for his 11th career one-hitter, with 12 strikeouts. This is ridiculous. Ryan is 42 — four days older than Vice President Dan Quayle.

I ignored his ERA title at 40. I pretended not to notice his strikeout crown last year at 41. But the guy has worn me down.

"Uncle." Nolan, you are an artist, a force of nature, a man who can only be judged on his own terms. You are not a grotesquely overrated .500 pitcher.

For two decades — ever since Ryan struck out more than 325 men in five of six seasons from 1972 to 1977 and found a way to lose an average of 16 games a year in the process — I have hated him. Not personally. The consensus is that Ryan's a sweetheart of a guy. When I've been around him, I've found Ryan impossible to dislike.

And I was trying.

I've long believed that only one statistic has any real meaning for pitchers: W-L. They tell you to win. You do or you don't.

To me, a .500 pitcher on a .400 team is as excellent as a .600 pitcher on a .500 team or a .700 pitcher on a .600 team. A pitcher's winning percentage versus his team's record in other games tells more than anything else.

For example, Jim Palmer's career percentage was 57 points higher than the good Oriole teams for which he played. A .500 pitcher on a .500 team is a mediocrity. To me, that was always Ryan. In his career he has gone 276-254. His teams in all the games in which he didn't get a decision over those 21 years were 1,420-1,403. They were as good as he was.

He is something more fascinating than a star. He's a star who is star-crossed by the nature of his spectacular talent.

Only once in those years did Ryan have the best percentage on his team. Forty starting pitchers on his teams have had better percentages than Ryan, while only 43 have been worse. On all those nondescript Angels and Astros teams, half the pitchers were able to do better than Ryan at what counts most: win the game.

But, in Ryan's case, I have finally come to believe that these facts must be forgiven. Because if you don't forgive them, you can't call Ryan great. And that defies common sense.

Perhaps home plate is too small for what Ryan throws. Maybe a fastball that rises as much as his and a curve that drops as sharply just aren't going to intersect the zone as often as less flashy pitches thrown by others. Also, hitters will take more of his pitches because when you have so little chance of hitting, a walk looks good.

True, Sandy Koufax had the same two exploding pitches as Ryan, plus fine control. But let's not beat up Nolan with the pitcher who, for five years, may have been the best ever.

Perhaps the combination of immortal stuff and mortal control doomed Ryan to walk more than anybody in history: 2,456. If that's true, Ryan has labored under a double burden: For every two walks, a run will score. Don't ask how. The formula hasn't varied in 100 years, either for teams or individuals. Who can overcome 200 walks a year?

Also, a wild pitcher's runs tend to score in bunches, in big innings, on days when he's not his sharpest. That's Ryan.

There's no evidence Ryan is a poor competitor. Players say the opposite. He can hold a lead in the late innings as well as most. He does not "want" to lose. He just does. It comes with the great stuff, average control curse. Everybody takes Ryan deep in the count and tries to foul pitches. Everybody screams "big rally" as soon as he allows a walk and scratch hit.

You can steal on him. Statistics show that nobody ever helps this strikeout/pop-up pitcher out of a jam with a double-play grounder. And when Ryan aims the ball to avoid more runners, he becomes mortal.

Ryan's only job, and he has always realized it, is to be The One And Only. He resembles nobody else. (The only pitcher in history within 20 wins, 20 losses and 20 ERA points of Ryan is Eppa Rixey.) Will he pitch a no-hitter and strike out 18? Or will he lose on bloops and walks, errors and steals, bad breaks and one line drive at the wrong time?

Both, of course. Maybe back-to-back.

Nolan Ryan is something more fascinating than a star. He's a star who is star-crossed by the nature of his spectacular talent. Most baseball fans have been smart enough to grasp that from the start and root for him.

Now, one more will.

Bo Jackson Striding Toward Greatness

By Michael Martinez
New York Times Service

KANSAS CITY, Missouri — The moment is still remembered as something remarkable: a single that drove in a run for the Memphis Chicks. And a star was born.

Nearly three years have passed since Bo Jackson momentarily cast aside professional football and became a rich, young and talented minor league baseball player.

Since that summer day in June 1986, Jackson has kept moving forward, kept improving, kept hitting and kept making enormous sums of money.

He is as vital a member of the Kansas City Royals this season as George Brett, as fast as Rickey Henderson or Vince Coleman, as strong as Mark McGwire or Jose Canseco.

At this point in the season, Jackson is among the American League leaders in homers, runs batted in, runs scored, stolen bases and slugging percentage.

But at 26 and with fewer than 300 professional games behind him, he is apparently only beginning to reach his level of ability.

"I'd like to say I'm very surprised at what he has done, but I'm not," said John Schuerholz, executive vice president of the Royals. "When we drafted him, we felt he had the best natural baseball ability and the most awesome potential that anybody had ever seen in the history of our organization. We still feel that way."

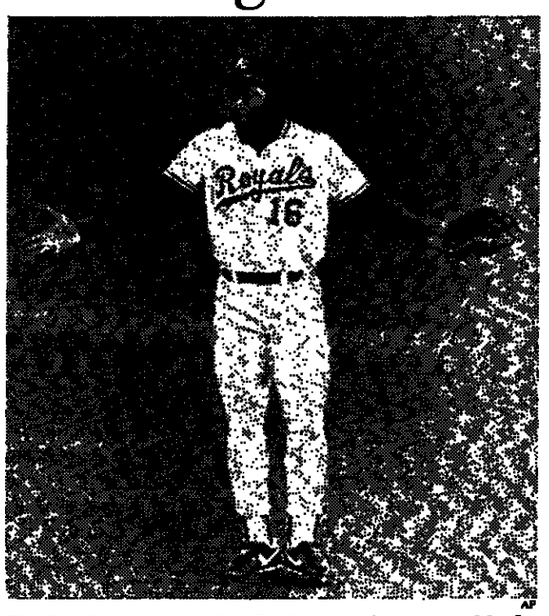
What Jackson has done since the Royals picked him in the free-agent draft in June 1986 is grow, sometimes by leaps and bounds.

He is still learning the nuances of the game — reading hitters, learning pitchers — but those close to him say he has come to love the game, perhaps more than football.

"Let me explain it this way," said Jamie Quirk, the former Royals catcher, who now works for the Yankees. "He bought a beautiful home in the Kansas City area. He didn't buy one in Los Angeles. He'll continue to play football for a while, but I think his long-range plan is baseball."

There are signs that Jackson has embraced the game more than ever, that football really has become the hobby he called it when he signed a multimillion-dollar contract to play for the Los Angeles Raiders.

For one, Jackson is among the first arrivals at spring training in Florida, and he does not join the Raiders until the baseball season ends, a full six weeks into the football schedule.



AP

The Royals fans used to boo Bo Jackson when he stood in the outfield, but he has shrugged all that off, and so have the Royals.

Jackson, of course, does not talk of these things. As introverted as ever, he will sit in front of his locker at the far end of the Royals' clubhouse and discuss baseball without even once looking into his questioner's eyes.

He will still talk of himself in the third person, and he will occasionally call out to teammates or attendants as he inspects a new batch of bats. But he will not address the football question.

Baseball is something else. He will talk about it, even though his offerings are sparse.

"Spring gets you ready for the season," he said. "I'm not doing anything different now that I didn't do in spring training. The more playing time you get, the better your game is going to get. That's all it is."

It is simple, but in Jackson's case it is apparently also the truth. He is playing and progressing.

"If he suffered from anything in the beginning, it was fundamentally," said his teammate Frank White. "But he's a quick learner. If you play football, you've got to learn the playbook. That's complicated. Once Bo learns something, he never seems to forget it."

His gifts for the game, of course, help.

"He closes in on the ball faster than anyone I've seen since Willie Wilson," White said of Jackson's defensive skills. "This year, he's shown a mix of power and speed. He's intelligent on the bases. If he doesn't have the best arm in baseball, he's got the second best. I think the package is for real."

All of it is wrapped into a body that could have been sculpted. The Royals do not employ a strength coach, and Jackson does not lift weights.

"I've never even seen him do a sit-up," said George Brett. "I say to myself all the time, 'I wish I could be in that body for just one day.'"

Jackson says of his physique and his ability: "There is nothing physical about sports. If you can handle it upstairs, everything else is easy."

He made it seem so by jumping to the majors after just 53 games at Class AA Memphis. In September 1986, in his first time at bat, he hit a single off Steve Carlton. He has never returned to the minors.

"No, it doesn't surprise me," Jackson said of his rise. "But one thing that does stand out in my mind is the fact that everyone was speculating that I might spend a year or two in the minors."

Had he proven them wrong? "I didn't prove anybody wrong," he said. "They made fools of themselves, everyone that doubted Bo from the East Coast to the West Coast. I don't go out there trying to prove anybody wrong. I go out to play baseball."

There are still lessons to learn, though. Last week at Royals Stadium, Jackson misplayed a fly ball against the Yankees, clinging to the fence in left to try to catch a ball that ended up at his feet and should have been routine.

He still chases bad pitches, and he has struck out 22 times in 75 times at bat already. He entered the season with 338 strikeouts in barely more than two seasons — ranking ninth on the team's career list — and tied a club record when he fanned in nine consecutive times at bat last year.

But as his flashes of brilliance grow, so does his legend.

"He hits the ball harder than anybody I've ever seen," said Steve Balboni, the former Royal now with the Yankees.

John Candelaria, the Yankee pitcher, said: "Last year, I threw him an 0-2 pitch about neck high. He hit a fly ball that I figured was the third out of the inning. It went over the fence for a three-run homer. It surprised me, the strength he had."

And his arm: "Absolutely spectacular," said Quirk.

"The only player who comes close to it is Cory Snyder," Quirk added. "And Bo doesn't even throw mechanically right. He'll throw flat-footed, or his balance won't be right."

Last season, Jackson became the first Royals player to hit 25 home runs and steal 25 bases in one season. He did it despite missing five weeks with a torn left hamstring, although his game suffered after his return. He fell into an 8-for-64 slump and batted only .209 after the break for the All-Star Game.

But if choices are going to be made, Jackson's friends believe he will ultimately choose baseball.

"It's only my opinion," said Hal Baird, his baseball coach at Auburn University, "but I think football will be the thing to go. When he comes back here in the off-season, we always ask about the Raiders, but invariably he turns the conversation to George Brett and the Royals."

Schuerholz said the team had put up no roadblocks to prevent Jackson from continuing to play both sports. But how long can he perform successfully on two fields?

"Maybe forever," said Schuerholz. "I've never seen an athlete like this."

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
Baltimore	12	12	.500	—
New York	12	12	.500	—
Boston	11	12	.478	½
Cleveland	10	13	.435	1½
Milwaukee	10	13	.435	1½
Toronto	9	14	.360	2½
Detroit	8	15	.348	3½
West Division				
Texas	17	6	.739	—
Oakland	16	8	.692	½
Kansas City	16	8	.667	1½
California	15	10	.600	3
Seattle	12	15	.444	7
Minnesota	10	17	.435	7
Chicago	9	16	.360	9

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
St. Louis	14	9	.609	—
New York	13	10	.565	1
Chicago	13	11	.542	1½
Montreal	13	12	.520	2
Philadelphia	11	12	.478	3
Pittsburgh	10	15	.400	5
West Division				
Cincinnati	14	9	.609	—
San Diego	14	12	.519	2
Los Angeles	12	13	.480	3
San Francisco	12	13	.480	3
Houston	11	14	.440	4
Atlanta	10	16	.385	5½

Monday's Line Scores

AMERICAN LEAGUE

Boston 203 130 000—12 15 0
Minnesota 300 001 002— 6 11 2
Boyd, Smithson (8) and Cerone; A.Anderson, Berenguer (1), Cook (4), Wayne (5) and Harper, Laudner (7). W—Boyd, 2-1. L—A.Anderson, 4-2. HRs—Minnesota, Larkin (1), Owyer (1).

Milwaukee 000 000 000—0 4 1
Chicago 030 020 02x—4 10 1
Higuera, Knudson (5) and Surhoff; Reuss and Karkovice. W—Reuss, 3-2. L—Higuera, 0-1. HR—Chicago, Kittle (3).

Cleveland 012 010 222—11 11 0
Texas 000 010 000— 1 6 1
Yett, Atherton (6) and Allanson; Witt, Rogers (7), Hall (9) and Petrolli. W—Yett, 3-2. L—Witt, 3-1. Sv—Atherton (2).

Detroit 001 020 000—3 9 1
Seattle 000 110 20x—4 11 0
Morris, F.Williams (7) and Nokes; Swift, Powell (6), Schooler (8) and Valle. W—Powell, 1-0. L—Morris, 0-6. Sv—Schooler (3).
(Kansas City at New York, ppd., rain)

NATIONAL LEAGUE

Cincinnati 000 300 466—19 21 1
Montreal 300 020 000— 6 11 1
Mahler, Dibble (7), Charlton (8) and Reed; Perez, McGaffigan (7), Heaton (8), Foley (9) and Santovenia. W—Mahler, 3-1. L—Perez, 0-2. HRs—Cincinnati, O'Neill (4), Reed (2). Montreal, Galarraga (4).

New York 001 000 200—3 9 1
Atlanta 000 000 010—1 6 0
Gooden, McDowell (8) and Carter; Z.Smith, Bedrosian (9) and Davis. W—Gooden, 5-0. L—Z.Smith, 0-4. Sv—McDowell (4).

Pittsburgh 000 000 000—0 7 0
Los Angeles 000 000 001—1 4 1
Drabek and Ortiz, Prince (5); Morgan, Howell (9) and Scioscia. W—Howell, 2-2. L—Drabek, 1-3.

St. Louis 001 005 000—6 10 1
San Diego 000 000 000—0 6 3
DeLeon and Pena; Hurst, Grant (8) and Santiago. W—DeLeon, 3-1. L—Hurst, 3-2.

Chicago 201 000 000 001—4 9 3
San Francisco 002 000 010 000—3 5 2
Sutcliffe, Williams (8), Pico (9), Schiraldi (12) and Berryhill; Downs, Garrelts (1), Lefferts (8), LaCoss (10) and Kennedy, Manwaring (8). W—Pico, 1-0. L—LaCoss, 1-2. Sv—Schiraldi (2). HRs—Chicago, Berryhill (1). San Francisco, Kennedy (3).
(Houston at Philadelphia, ppd., rain)

BASKETBALL

NBA Playoffs

FIRST ROUND
(Best of 5)
EASTERN CONFERENCE
Detroit vs. Boston
(Detroit leads series, 2-0)
Detroit 101, Boston 91
Detroit 102, Boston 95
May 2: Detroit at Boston
New York vs. Philadelphia
(New York leads series, 2-0)
New York 102, Philadelphia 96
New York 107, Philadelphia 106
May 2: New York at Philadelphia
Cleveland vs. Chicago
(Series tied, 1-1)
Chicago 95, Cleveland 88
Cleveland 96, Chicago 88
May 3: Cleveland at Chicago
Atlanta vs. Milwaukee
(Series tied, 1-1)
Atlanta 108, Milwaukee 92
Milwaukee 108, Atlanta 98
May 2: Atlanta at Milwaukee

WESTERN CONFERENCE
L.A. Lakers vs. Portland
(Los Angeles leads series, 2-0)
L.A. Lakers 128, Portland 108
L.A. Lakers 113, Portland 105
May 3: L.A. Lakers at Portland
Utah vs. Golden State
(Golden State leads series, 2-0)
Golden State 123, Utah 119
Golden State 99, Utah 91
May 2: Utah at Golden State
Phoenix vs. Denver
(Phoenix leads series, 2-0)
Phoenix 104, Denver 103
Phoenix 132, Denver 114
May 2: Phoenix at Denver
Seattle vs. Houston
(Seattle leads series, 2-0)
Seattle 111, Houston 107
Seattle 109, Houston 97
May 3: Seattle at Houston

NBA Rookies of the Year

1989—Mitch Richmond, Golden State; 1988—Mark Jackson, New York; 1987—Chuck Person, Indiana; 1986—Patrick Ewing, New York; 1985—Michael Jordan, Chicago; 1984—Ralph Sampson, Houston; 1983—Terry Cummings, San Diego; 1982—Buck Williams, New Jersey; 1981—Darrell Griffith, Utah; 1980—Larry Bird, Boston.
1979—Phil Ford, Kansas City; 1978—Walter Davis, Phoenix; 1977—Adrian Dantley, Buffalo; 1976—Alvan Adams, Phoenix; 1975—Keith Wilkes, Golden State; 1974—Ernie DiGregorio, Buffalo; 1973—Bob McAdoo, Buffalo; 1972—Sidney Wicks, Portland; 1971—Dave Cowens, Boston and Geoff Petrie, Portland; 1970—Lew Alcindor, Milwaukee.
1969—Wes Unseld, Baltimore; 1968—Earl Monroe, Baltimore; 1967—Dave Bing, Detroit; 1966—Rick Barry, San Francisco; 1965—Willis Reed, New York; 1964—Jerry Lucas, Cincinnati; 1963—Terry Dischinger, Chicago; 1962—Walt Bellamy, Chicago; 1961—Oscar Robertson, Cincinnati; 1960—Wilt Chamberlain, Philadelphia.
1959—Elgin Baylor, Minneapolis; 1958—Woody Sauldsberry, Philadelphia; 1957—Tom Heinsohn, Boston; 1956—Maurice Stokes, Rochester; 1955—Bob Pettit, Milwaukee; 1954—Ray Felix, Baltimore; 1953—Don Meineke, Fort Wayne.

HOCKEY

NHL Playoffs

MONDAY'S RESULT

	1	2	3
Philadelphia	1	0	2—3
Montreal	0	0	1—1

First Period—1, Philadelphia, D.Smith 4, 13:45 (sh). Second Period—None. Third Period—2, Philadelphia, Shinkaruk 1 (Poulin), 11:19 (sh). 3, Montreal, Carson 2 (Courtnall, Svoboda), 12:04. 4, Philadelphia, Tocchet 6 (Secord, Sutter), 13:09.
Shots on goal: Philadelphia (on Roy) 13-3-10—26; Montreal (on Wregget) 7-11-7—25.

CONFERENCE FINALS
Wales Conference
Philadelphia vs. Montreal
(Philadelphia leads series, 1-0)
Philadelphia 3, Montreal 1
May 3: Philadelphia at Montreal
Campbell Conference
Chicago vs. Calgary
May 2: Chicago at Calgary
STANLEY CUP FINAL
May 17-30

World Championships

Final Medal Round Standings

	W	L	T	Pts	GF	GA
Soviet Union	3	0	0	6	11	4
Canada	2	1	0	4	12	11
Czechoslovakia	1	2	0	2	5	6
Sweden	0	3	0	0	5	12

Final Relegation Pool Standings

	W	L	T	Pts	GF	GA
Finland	3	0	0	6	13	3
United States	2	1	0	4	17	11
West Germany	1	2	0	2	5	7
Poland	0	3	0	0	2	17

SOCCER

ENGLISH FIRST DIVISION
Arsenal 5, Norwich 0

CYCLING

Tour of Spain

NINTH STAGE
(Albacete to Gandia; 228.1 kilometers/141.6 miles)
1. Raymond Dietzen, West Germany, 5:26:26; 2. Javier Murguialday, Spain, same time; 3. Massimo Ghirotto, Italy, s.t.
OVERALL STANDINGS
1. Omar Hernandez, Colombia, 39:06:51; 2. Peter Hilsen, West Germany, :59 seconds behind; 3. Marino Sanchez, Spain, 1:24 behind; 4. Federico Echave, Spain, 1:22 behind; 5. Pedro Morales, Colombia, same time.

TRANSITION

BASEBALL
American League
CALIFORNIA—Recalled Rich Monteleone, pitcher, from Edmonton, Pacific Coast League.
MILWAUKEE—Activated Ted Higuera, pitcher, from 15-day disabled list. Sent Roy Krawczyk, pitcher, to Denver, American Association.
NEW YORK—Sent Stanley Jefferson, outfielder, to Columbus, International League. Called up Hal Morris, outfielder, from Columbus. Named Arthur Richman vice president of media relations.
National League
CHICAGO—Activated Damon Berryhill, catcher, from 15-day disabled list. Recalled Dwight Smith, outfielder, from Iowa, American Association. Optioned Joe Girardi, catcher, and Phil Stephenson, infielder-outfielder, to Iowa.
LOS ANGELES—Put Kirk Gibson, outfielder, on 15-day disabled list, retroactive to April 26. Recalled Chris Gwynn, outfielder, from Albuquerque, Pacific Coast League.
PHILADELPHIA—Moved Steve Ontiveros, pitcher, from 15-day to 21-day disabled list. Put Jeff Parrett, pitcher, on 15-day disabled list, retroactive to April 29.
ST. LOUIS—Activated Joe Magrane, pitcher, from 15-day disabled list. Put John Costello, pitcher, on 15-day disabled list.
SAN FRANCISCO—Optioned Matt Williams, infielder, to Phoenix, Pacific Coast League. Recalled Greg Litton, infielder, from Phoenix.
FOOTBALL
National Football League
BUFFALO—Signed Tom Doctor, linebacker; John Bruno, punter, and Paul Hickert, kicker.
MIAMI—Signed Bob Brudzinski, linebacker; Bud Brown, safety; and Bruce Hardy, tight end. Said that Ralph Malone and Scott Nicholas, linebackers; Dan Johnson, tight end, and Chris Scott, defensive end, have failed their physicals.
NEW ENGLAND—Waived Kevin White, wide receiver.
PITTSBURGH—Signed Fine Unga, running back; Kevin Nelson, wide receiver; Terence O'Shea, tight end, and Robert Kovach, guard.
SAN FRANCISCO—Signed Matt Devine, linebacker; Brent Napierkowski, Lonnie Finch, and Art Malone, defensive backs; Jon Burman, offensive tackle; Dave Haight, nose tackle; Mike Wolfe, offensive guard, and Glen Harper, punter.
SEATTLE—Signed Darryl Hall safety.
TAMPA BAY—Signed Alvin Mitchell, Bill Moody and Donnie Maloney, running backs; Erick Harrison, wide receiver; Ray Chavous, defensive lineman, and Chuck Massaro, center.
Canadian Football League
EDMONTON—Signed Warren Jones, quarterback.
OTTAWA—Signed Don Anderson, defensive back; Wade Lockett, wide receiver; Dan Johnston, running back, and Barry Melon and Pete Nopo, defensive ends.
HOCKEY
National Hockey League
N.Y. RANGERS—Signed Tomas Sandstrom, forward, to multiyear contract.
COLLEGE
CALIFORNIA (SANTA BARBARA)—Named Rick Candaele football coach.
CENTRAL FLORIDA—Named Joe Dean Jr. basketball coach.
FAYETTEVILLE STATE—Named Jeff Capel athletic director and basketball coach.
LOUISVILLE—Named Bud Childers women's basketball coach.
LOYOLA (ILLINOIS)—Named Will Ray basketball coach.
MOUNT UNION—Named Ron Hoyt basketball coach.
NEW YORK UNIVERSITY—Named Joe Nesci basketball coach.
NORTH CAROLINA—Suspended Kennard Martin, running back.
ROCHESTER—George Perry, soccer coach, resigned, to accept same job at St. Bonaventure.
ST. MICHAEL'S—Jim Casciano, basketball coach, resigned.
TENNESSEE STATE—Named Ron Abernathy basketball coach.

OBSERVER

Frothing at the Mo

By Russell Baker

NEW YORK — Here is a letter from Or. It is irritating. Not the letter. The letter is pleasant. What is irritating is its coming from Or.

You know where Or is? In exactly the same place that used to house Ore. The mail authorities have evicted Ore. and moved in Or.

Or has replaced good old Ore., or (that's conjunctive or, not postal Or) Oregon, to get long-winded. So why get melancholy about it? Certainly not because I love Ore. and am saddened to see it pushed around by the mail bullies. Ore. is nothing more to me than Hecuba, or He, as she's probably known now.

What's irritating is the pointless change. After you have spent 20, 30, 40, 50, maybe 80 or 100 years getting used to Beaverton being in Ore., it is insufferable to have efficiency-crazed mail people say, "Tough turkey about Beaverton, folks, but you'd better get used to its being in Or."

It was hard enough having to learn Africa all over again after colonial Europeans went home, but there was good reason for that.

People being entitled to names of their choice, we had to learn all these new names that replaced the old: Zaire, Zambia, Tanzania, Zimbabwe, Mali and so on.

One knuckled to these incessant educational adjustments out of patriotic desire to be a good anticolonialist. But no reason beyond the usual malarkey about comforting computers justifies squandering more brain time in relearning abbreviations of the states.

"Come now," I hear you say. "Even a journalist can deduce in a flash that Beaverton, Or, is in Oregon. Why *froth at the mouth* because Or replaces Ore., since Ore. is really no more explicit than Or?"

Why froth at the mouth? For one thing, because it's time all Americans frothed at the mouth more readily, even when the offenses against them are petty.

Gigantic and inhuman bureaucracies — which is what successful modern governments must be — cannot help treating the governed with contempt.

By frothing at them and issuing enraged animal noises, the governed may at least keep them sufficiently uneasy to prevent their contempt from becoming brutality.

For another thing, while one person seeing "Or" may automatically think "Oregon," and proceed unruffled about his business, another may be so irritated by it that he will lose that cool indifference to the horrors of modern life so necessary for making it all the way to the grave without attracting attention, and start frothing at the mouth.

And what about Al? Suppose you get a letter from, say, Unomee, Al? If you've done your homework and got A-plus in mail, you know the letter comes from Alabama, not Alaska.

"If it were Alaska," you say, smartest kid in the class, waving your hand to score big with teacher, "it would be Unomee, Ak."

Yes, friends, that's what U.S. mail authorities have done to Alaska: Ak. Gone is historic, stately, magnolia-sniffing, moss-draped old Ala. Arrived is snappy wise guy Al, a sure-fire Yankee. How many great Confederate generals did Lee address as "Al"?

□

Another question: You get a letter from Doughray, Mi, and you want to answer. Are you going to talk to a Minnesotan, a Michigander, a Mississippian or a Missourian?

Sure it matters because you have to make a little friendly small talk and write, "Still snowing up there?" or "How about those Wolverines winning the basketball!" or "I'd sure like to pick some of those cotton bolls one of these days."

Once you could tell easily because the return address said Minn., or Mich., or Miss., or Mo. Now, your only clue is Mi, which my postmaster swears means Michigan. Minnesota has turned into Mn and Mississippi into Ms, which is also the name of a magazine with a feminist slant.

There is a lot of sadness here, too. Good old Boston, Mass., is now Boston, Ma, which sounds like the gag line from an antique baseball joke. ("What do you call a team that just blew the World Series, Pa?" "Boston, Ma.")

Cal. or Calif. is now Ca, which is what crows say, and Texas, poor old Tex., is now Tx, which looks like the name of one of those modernized companies that exist only to be merged, acquired, milked and junked. You Txans gonna take that without frothing?

New York Times Service

Chiyo Uno: Literary True Confessions

By Christine Chapman

TOKYO — "It's the easiest topic, to write about yourself," said Chiyo Uno, with all the confidence of a woman who understands love and lust and literature. At 91 she is a literary lady who made passion fashionable as a subject and a way of life.

"When I was younger," she added, settling herself on her knees on the tatami floor of her Tokyo apartment, "I may have said that 'no one is as lucky as woman writer. When she breaks up with a man, she can write about it without a sense of shame.' As I became older, the themes have sorted themselves into a pattern. With age I stopped thinking about writing good books, but to write *naturally*. Writing is not God-given. It is something you work on yourself."

In person, then in her stories, Uno created the prototype of the sexually liberated Japanese woman who loved whom she liked and wrote about it to the titillation of eager readers.

The acceptance of critics came much later. Most of them men, they did not recognize women writers as important. Notorious women like Uno were beyond consideration. Playing at life and writing about it for money, Uno was dismissed as a "writer of illicit love," according to the American scholar Rebecca Copeland.

Chiyo Uno, now 91: "Freed from some demonic curse" after 60.

However, her 1957 novella, "Ohan," the story of a wife-husband-mistress tangle, convinced the literary establishment that, at 60, Uno had arrived. She won two prizes for "Ohan," the Women's Literary Award and the prestigious Noma, which she shared *with Fumiko Enchi and her novel* "The Waiting Years."

Copeland, a lecturer in Japanese literature at Tokyo's International Christian University, is translating three of Uno's stories into English for publication in 1990. She says, "With Fumiko Enchi and Fumiko Hayashi, who are both dead, Uno is among the top three women writers" of Japan.

From one historic epoch to another, from the Meiji era, when she was born on Nov. 28, 1897, to the Taisho (1912-1926), when she was already establishing her reputation as a writer and a femme fatale, to the Showa (1926-1989), when she wrote the remarkable books of her middle years, "Irozange" ("Confessions of Love"), 1935; "Ningyoshi Tenguya Kyukichi" ("The Puppet-Maker Tenguya Kyukichi"), 1942; "Ohan," *(1957); "Kaze no Oto" ("The* Sound of the Wind)," 1969, to the new Heisei period as she composes "Bannen" ("The Evening of My Life") Uno has prevailed as a literary force because of style, not subject alone.

From writing early true confessions, she developed control over an emotional style, crafted a strong narrative line and created characters who speak in distinct voices. The weak husband in "Ohan" who loves two women wonders "if anything is as untrustworthy as a human heart." He yearns for "a life which was not at odds with decency." When the *bundan*, literary crowd, realized that Uno could portray real men in first-person stories, they accepted her.

In the 1936 autobiographical essay "A Genius of Imitation," Uno declaimed: "I am 38 years old, I've been writing for 12 years, *and I don't know who I really* am." At 60 she did, and the critics agreed she was doing her best work.

"After I turned 60," she explained in an essay, she felt "freed from some demonic curse. I could no longer involve myself in romantic affairs, no matter how I clamored and fumed. As soon as I realized this, the world, which earlier I could barely see through the swirling fogs of romance, became perfectly clear."

But what a good time she made for herself before the artist renounced the lover. Besides beauty, Uno had, and has, an irresistible gaiety, a sense of pleasure in the moment that she conveys to those around her. She wears a hearing aid now and goes to bed early but has not lost her appreciation of attractive men or a well-told story.

From the beginning, although her mother died when she was 2 and her self-indulgent father was strict with her, she flourished as a flamboyant character. In her first job she fell in love with a fellow schoolteacher and scandalized her hometown in western Japan. Dismissed from the school, she was devastated, he was embarrassed.

She left for Tokyo and worked as a waitress, a clerk, a tutor, and met only "poor, uninteresting and short" men. Soon she married her cousin, whom she was living with, and moved to Sapporo with him. He was the first of three husbands, and countless lovers. While she waited for him to come home evenings, she began to write. As she described it: "I knit socks for my husband. I became a good housewife. My husband, a cashier for an insurance company, played pool after work." Translating essays, she wrote until he laughed at her. She sighed: "What a long winter. I drew all the curtains and knitted socks again."

After the socks were knit, the ambitious Uno continued to write, won a newspaper prize in a short story contest, then wrote a *story for the magazine* Chuo Koron (Central Forum). The story was accepted by the editor who remembered Uno as a waitress who had served him lunch in Tokyo. He paid her well and she later commented: "I'd finally become a significant woman." It was May 1922 and she was 24.

Determined to stay in Tokyo, *she forgot about her husband in* Sapporo. It was the free-wheeling 1920s, the time in Japan of Taisho democracy when the country reeled with Western ideas and jazz, dance halls, foreign films. Uno was a *modan garu*, a modern girl, who cut her hair in a bob, danced the night away and began to live with the handsome writer Shiro Ozaki. In 1923 they married and she turned him into her teacher using "his pen to write my stories. My life became indistinguishable from my work, and I became a mere wife in fact and fiction."

A pattern emerged around her love life: domesticity with husbands or lovers was followed by a breaking away to assert herself, and to write about the romance. She and Ozaki, remembered today as her favorite husband, divorced after five years. Then she and the painter Seiji Togo lived together for five years. During this liaison she wrote "Irozange," a much-praised novel told in the artist's voice about his violent love affairs, which included a failed suicide pact with a former girlfriend.

When Uno was 67, she and her third husband, the novelist Takeo Kitahara, 10 years her junior, separated after 25 years. They had begun Japan's first fashion magazine, the popular Style, in 1939, and revived it to greater success after the war, becoming very wealthy. Uno and Kitahara lived in houses in Tokyo and the countryside, traveling abroad to Paris and the United States. After their divorce in 1964, Uno had a fallow period but since 1969, she has averaged about a book each year.

After her 1983 autobiography, "Ikitei-yuki watashi" ("I Live Every Day I Live"), was published, a national television station produced a 13-part series based on it. It revived interest in Uno, and caused a flurry of English translations of her work. "Confessions of Love," translated by Phyllis Birnbaum, was released early this year by the University of Hawaii Press. Birnbaum has written a long gossipy essay on Uno's life and lovers in the Oct. 31, 1988, New Yorker magazine. Copeland, who is translating "The Puppet-Maker" and "The Sound of the Wind," said: "Until recently American translators and Japanese critics thought her not worthy of being mainstream."

Uno continues to write essays and stories for Chuo Koron magazine and is working on the "Evening of My Life" sequel to the first autobiography. "Chiyo" means '1,000 years' in English," she explained, and insisted she would live that long.

"I just don't feel I'm going to die. If you write a good book that will last, it's like not dying. And, I'm very, very good at making life enjoyable. At 91 I'm happy."

Christine Chapman is a Tokyo-based journalist who specializes in the arts.

PEOPLE

Donald Trump, in Ads, Backs Death Penalty

Angered by "wilding," New York's new form of group violence, **Donald Trump** has published full-page advertisements in New York newspapers with a bold headline: "Bring Back the Death Penalty, Bring Back Our Police!" The developer was provoked by reports of a recent attack on a woman jogger in Central Park. A gang of adolescents is suspected of beating and raping her in what they call "wilding." Trump says that his office has received thousands of calls running more than 20 to 1 in support of the advertisment and that people are "sick and tired of crime and violence and want protection now." Trump said he would now work to get people elected who support the death penalty.

□

Wendy Wasserstein's "Heidi Chronicles" has won the Outer Critics Circle award in New York for the best Broadway play, and "Jerome Robbins' Broadway" was named best Broadway musical. Jerry Sterner, author of "Other People's Money," was given the John Gassner Award for an American playwright and his play was named best off-Broadway play. The award for best actor in a play went to **Kevin Conway** for "Other People's Money" and the best actress was **Pauline Collins** in "Shirley Valentine."

□

The British philosopher **Karl Popper** has won the first annual International Prize of Catalonia for his contribution to science and the humanities. The prize, given by the Catalonian autonomous regional government in Barcelona through the Catalonian Institute of Mediterranean Studies, is $100,000 and will be presented on May 24. Popper, 86, is a professor emeritus at the University of London.

□

Following are the winners of this year's Courage Award, established in 1985 by the Courage Foundation at Syracuse (New York) University to reward people in public life who have courageously discharged their official duties: The U.S. surgeon general, **Dr. C. Everett Koop**; the former Federal Reserve Board chairman **Paul Volcker**; the former U.S. attorney for the Southern District of New York **Rudolph Giuliani**; and a Florida teacher, **Gloria Pipkin**. The award includes a grant of $5,000.

TODAY'S
INTERNATIONAL BUSINESS MESSAGE CENTER
Appears on page 6

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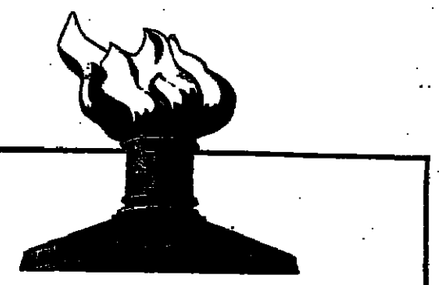

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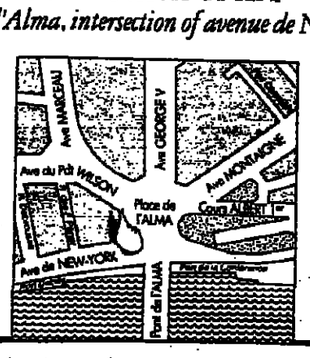

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